

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

August 25, 2008

NOTICE  
OF  
CONTRACT NO. 071B8200192  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF CONTRACTOR <b>Alltel</b> <b>2339 Jolly Road</b> <b>Okemos, MI 48864</b>  <b>Email: <a href="mailto:Thomas.Floro@alltel.com">Thomas.Floro@alltel.com</a></b>		TELEPHONE (419) 266-1598 <b>Thomas Floro</b>
		CONTRACTOR NUMBER/MAIL CODE
		BUYER/CA (517) 335-4804 <b>Douglas Collier</b>
Contract Compliance Inspector: Jack Harris <b>STATEWIDE WIRELESS DATA SERVICES</b>		
CONTRACT PERIOD: From: <b>August 15, 2008</b> To: <b>August 14, 2010</b>		
TERMS <b>N/A</b>	SHIPMENT <b>N/A</b>	
F.O.B. <b>N/A</b>	SHIPPED FROM <b>N/A</b>	
MISCELLANEOUS INFORMATION:		

**Estimated Contract Value: \$4,200,000.00**

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MISCELLANEOUS INFORMATION: <b>The terms and conditions of this Contract are those of 071B3001290, this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.</b> <b>Estimated Contract Value: \$4,200,000.00</b>			

**FOR THE CONTRACTOR:**

**FOR THE STATE:**

<b>Alltel</b>
<b>Firm Name</b>
<b>Authorized Agent Signature</b>
<b>Authorized Agent (Print or Type)</b>
<b>Thomas Floro</b>
<b>Date</b>

<b>Signature</b>
<b>Greg Faremouth, IT Director</b>
<b>Name/Title</b>
<b>IT Division</b>
<b>Division</b>
<b>Date</b>



## Table of Contents

<b>Article 1 – Statement of Work (SOW)</b>	<b>7</b>
1.001 PROJECT REQUEST .....	7
1.002 BACKGROUND .....	8
1.003 OUT OF SCOPE .....	8
1.004 ENVIRONMENT .....	8
1.1 WORK AND DELIVERABLES .....	9
1.2 Roles and Responsibilities .....	32
1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES .....	32
1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES .....	33
1.203 OTHER ROLES AND RESPONSIBILITIES .....	34
1.3 Project Plan .....	34
PROJECT PLAN MANAGEMENT .....	34
1.302 REPORTS .....	34
1.4 Project Management .....	34
1.401 ISSUE MANAGEMENT .....	34
1.402 RISK MANAGEMENT .....	34
1.403 CHANGE MANAGEMENT .....	34
1.5 Acceptance .....	35
1.501 CRITERIA .....	35
1.502 FINAL ACCEPTANCE .....	35
1.6 Compensation and Payment .....	35
1.601 COMPENSATION AND PAYMENT .....	35
1.7 Additional Terms and Conditions .....	38
1.701 ADDITIONAL TERMS AND CONDITIONS .....	39
<b>Article 2 – General Terms and Conditions</b>	<b>45</b>
2.010 Contract Structure and Administration .....	45
2.011 Definitions .....	45
2.012 Attachments, Appendices and Exhibits .....	45
2.013 Statements of Work .....	45
2.014 Issuing Office .....	46
2.015 Contract Compliance Inspector .....	46
2.016 Project Manager .....	46
2.020 Contract Objectives/Scope/Background .....	46
2.021 Background .....	47
2.022 Purpose .....	47
2.023 Objectives and Scope .....	47
2.024 Interpretation .....	47
2.025 Form, Function and Utility .....	47
2.030 Legal Effect and Term .....	47
2.031 Legal Effect .....	47
2.032 Contract Term .....	47
2.040 Contractor Personnel .....	47
2.041 Contractor Personnel .....	47
2.042 Contractor Identification .....	49
2.043 Cooperation with Third Parties .....	49
2.044 Subcontracting by Contractor .....	50
2.045 Contractor Responsibility for Personnel .....	50
2.050 State Standards .....	50
2.051 Existing Technology Standards .....	50
2.052 PM Methodology Standards .....	50



2.053	Adherence to Portal Technology Tools .....	51
2.054	Acceptable Use Policy .....	51
2.060	Deliverables .....	51
2.061	Ordering .....	51
2.062	Software (Reserved) .....	51
2.063	Hardware.....	51
2.064	Equipment to be New and Prohibited Products.....	51
2.070	Performance.....	52
2.071	Performance, In General.....	52
2.072	Time of Performance.....	52
2.073	Liquidated Damages .....	52
2.074	Bankruptcy .....	52
2.075	RESERVED - Time is of the Essence.....	52
2.080	Delivery and Acceptance of Deliverables.....	53
2.081	Delivery Responsibilities .....	53
2.082	Delivery of Deliverables .....	54
2.083	Testing .....	54
2.084	Approval of Deliverables, In General .....	54
2.085	Process For Approval of Written Deliverables.....	55
2.086	Process for Approval of Services .....	55
2.087	Process for Approval of Physical Deliverables.....	55
2.088	Final Acceptance.....	56
2.090	Financial.....	56
2.091	Pricing .....	56
2.092	Invoicing and Payment Procedures and Terms .....	56
2.093	State Funding Obligation.....	57
2.094	RESERVED - Holdback .....	57
2.095	Electronic Payment Availability .....	57
2.100	Contract Management .....	57
2.101	Contract Management Responsibility .....	57
2.102	Problem and Contract Management Procedures.....	58
2.103	Reports and Meetings .....	58
2.104	System Changes.....	58
2.105	Reserved.....	58
2.106	Change Requests .....	58
2.107	Management Tools .....	60
2.110	Records and Inspections .....	60
2.111	Records and Inspections.....	60
2.112	Errors .....	60
2.120	State Responsibilities .....	60
2.121	State Performance Obligations .....	60
2.130	Security .....	61
2.131	Background Checks .....	61
2.140	Reserved.....	61
2.150	Confidentiality .....	61
2.151	Freedom of Information.....	61
2.152	Confidentiality.....	61
2.153	Protection of Confidential Information .....	61
2.154	Exclusions .....	62
2.155	No Implied Rights.....	62
2.156	Remedies .....	62
2.157	Security Breach Notification .....	62
2.158	Survival .....	62



2.159	Destruction of Confidential Information .....	62
2.160	Proprietary Rights .....	62
2.162	RESERVED - Source Code Escrow .....	63
2.163	Rights in Data.....	63
2.164	Ownership of Materials .....	63
2.165	Standard Software .....	63
2.166	Pre-existing Materials for Custom Software Deliverables .....	63
2.167	General Skills .....	64
2.170	Warranties And Representations.....	64
2.171	Warranties and Representations.....	64
2.175	Standard Warranties .....	66
2.176	Consequences For Breach .....	67
2.180	Insurance .....	67
2.181	Liability Insurance .....	67
2.190	Indemnification .....	69
2.191	Indemnification .....	69
2.192	Continuation of Indemnification Obligations .....	70
2.193	Indemnification Procedures.....	70
2.200	Limits of Liability and Excusable Failure .....	71
2.201	Limits of Liability.....	71
2.202	Excusable Failure.....	71
2.203	Disaster Recovery .....	72
2.210	Termination/Cancellation by the State .....	72
2.211	Termination for Cause.....	72
2.212	Termination for Convenience .....	73
2.213	Non-Appropriation .....	73
2.214	Criminal Conviction .....	73
2.216	Rights and Obligations Upon Termination .....	74
2.217	Reservation of Rights.....	74
2.218	Contractor Transition Responsibilities.....	74
2.219	State Transition Responsibilities .....	75
2.220	Termination by Alltel .....	75
2.221	Termination by Alltel.....	75
2.230	Stop Work .....	75
2.231	Stop Work Orders .....	75
2.232	Cancellation or Expiration of Stop Work Order .....	76
2.233	Allowance of Contractor Costs .....	76
2.240	Reserved.....	76
2.250	Dispute Resolution.....	76
2.251	In General .....	76
2.252	Informal Dispute Resolution .....	76
2.253	Injunctive Relief.....	77
2.254	Continued Performance .....	77
2.260	Federal and State Contract Requirements.....	77
2.261	Nondiscrimination.....	77
2.262	Unfair Labor Practices.....	77
2.263	Workplace Safety and Discriminatory Harassment.....	77
2.270	Litigation.....	77
2.271	Disclosure of Litigation .....	77
2.272	Governing Law .....	78
2.273	Compliance with Laws .....	78
2.274	Jurisdiction .....	78
2.280	Environmental Provision .....	78



2.281	Environmental Provision .....	79
2.290	General .....	79
2.291	Amendments .....	79
2.292	Assignment .....	79
2.293	Entire Contract; Order of Precedence .....	80
2.294	Headings .....	80
2.295	Relationship of the Parties (Independent Contractor Relationship) .....	80
2.296	Notices .....	80
2.297	Media Releases and Contract Distribution .....	81
2.298	Reformation and Severability .....	81
2.299	Consents and Approvals .....	81
2.300	No Waiver of Default .....	81
2.301	Survival .....	81
2.302	Covenant of Good Faith .....	81
2.303	Permits .....	82
2.304	Website Incorporation .....	82
2.305	Taxes .....	82
2.306	Prevailing Wage .....	82
2.307	Call Center Disclosure .....	82
2.308	Future Bidding Preclusion .....	82
2.310	Reserved .....	83
2.320	Extended Purchasing.....	83
2.321	MiDEAL .....	83
2.330	Federal Grant Requirements .....	83
2.331	RESERVED - Federal Grant Requirements.....	83
Exhibit A	.....	84
Area Coverage Maps	.....	84
Exhibit B	.....	87
Account Rep Info	.....	87
Exhibit C Pricing.....	.....	89
Exhibit D Approved Hardware.....	.....	104



## **Article 1 – Statement of Work (SOW)**

### **1.0 Project Identification**

#### **1.001 PROJECT REQUEST**

The State of Michigan (State), Department of Management & Budget (MDMB) and Michigan Department of Information Technology (MDIT), establishes this Contract to provide Cellular Voice, Voice with Push-to-Talk, Data, and Paging Services as defined herein. The Contract is also designed to take allow for MIDEAL and associated agencies to utilize the pricing, products and services available and to apply for E Rate funding available through the Universal Service Funds Program for all Michigan educational facilities, see <http://www.usac.org/sl/#571590000625733>.

Throughout the term of the Contract, it is likely that new price offerings will become available. At the State's option these revisions will be incorporated through Contract amendment (Change Notice), to allow for greater cost savings.

Cellular voice service includes wireless voice transmission. Cellular voice and Push-to-Talk (PTT) service includes wireless voice transmission with two-way PTT functionality. Data service includes wireless data transmission for e-mail and Internet access. Paging service includes analog and/or digital transmission. Equipment includes, but is not limited to, all equipment necessary to use the cellular voice, data, and paging services (e.g., handsets, handheld devices, wireless PC cards, Blackberry-like devices, PDA devices, pagers, car kits, hands free kits, spare batteries, chargers, cases, belt clips, etc.).

The State has defined the requested services in the following service packages:

1. Packages for standard voice and optional data offerings associated with cellular service, primarily used being person-to-person voice communication. This category also includes packages for Blackberry and Blackberry-like devices.
2. Packages for standard cellular voice service with Push-To-Talk (PTT) and optional data services.
3. Packages for wireless PC data cards and, associated service, and data services used in conjunction with standard voice and data packages listed above.

#### **Scope of Work and Deliverables**

Contractor will provide the following to the State of Michigan and its associated agencies:

1. Cellular voice service and equipment with optional data service
2. Cellular voice with Push-To-Talk (PTT) service and equipment with optional data service
3. Cellular PC data cards and service
4. Web-based catalog and ordering (currently this is limited as product is available but not web-based ordering)
5. Billing with electronic detail for analysis and management
6. Customer service and support
7. Inventory and usage reporting and optional consolidated billing
8. Training
9. Transition services (as required)

A more complete description of the supplies and/or services sought for this project is provided in Section 1.1, Work and Deliverables and Section 1.201, Contractor Roles and Responsibilities.

The State seeks to have services begin with full implementation of the web-based catalog system as agreed upon by both parties within 60days of the request.

#### **Acronyms, Appendices, Attachments & Exhibits**

The following Appendices are included with this Contract:

Appendix A - List of Michigan Counties



- Appendix B - Glossary of Terms
- Exhibit A - Area Coverage Maps
- Exhibit B - Account Rep Info
- Exhibit C - Pricing
- Exhibit D - Approved Hardware

### 1.002 BACKGROUND

This Contract is designed to contribute to ensuring that the state's communications requirements are met, and that all voice and data networking components and services necessary to perform the business functions of state government agencies are available to each department.

The cellular voice and data, will in general, be administered at the State Agency level. Overall program coordination and contract monitoring will be provided by the MDIT Telecommunications Division.

The state offers no guarantee of the number of subscribers, or usage volumes resulting from this Contract. The State reserves the right to procure equipment and services from any of the Contracts executed for these purposes at the discretion of the State. Alltel is expected to conform to State and MDIT policies, procedures, and standards. Alltel shall comply with all security standards and the security access requirements for individual State facilities.

The goals of this Contract are to:

- Provide statewide cellular and data services.
- Improve statewide coverage for cellular.
- Maintain control of the State's cellular costs.

Contractor shall follow the State methods, policies, standards and guidelines that have been developed. Contractor is expected to provide its services that conform to State IT policies and standards. All services and products provided must comply with all applicable State IT policies and standards. Requests for exceptions to State IT policies and standards must be made in accordance with MDIT processes. It will be the responsibility of the State to deny the exception request or to seek a policy or standards exception.

The links below will provide information on State of Michigan IT strategic plans, current environment, policies, and standards.

Strategic Plan:

<http://www.michigan.gov/dit/0,1607,7-139-30637-135173--,00.html>

Enterprise Policies, Procedures and Standards:

<http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>

State of Michigan Project Management Methodology (PMM)

[http://www.michigan.gov/dit/0,1607,7-139-30637\\_31101-58009--,00.html](http://www.michigan.gov/dit/0,1607,7-139-30637_31101-58009--,00.html)

The State's Project Management Methodology (PMM) must be followed.

Contractor shall comply with all security standards and the security access requirements for individual State facilities.

### 1.003 OUT OF SCOPE

The following are outside the scope of this Contract:

1. Verification and validation of business requirements
2. Maintenance or repair of State telecommunications infrastructure

### 1.004 ENVIRONMENT

Information regarding the State's information technology architecture and standards for hardware, database applications, network hardware and monitoring tools, identity management/authentication and development tools may be found at: <http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>.





## 1.1 WORK AND DELIVERABLES

Contractor will provide the equipment, services, customer support/service, and otherwise do all things necessary for or incidental to the performance of work, as set forth below.

### General Service Requirements

Contractor acknowledges the following requirements, and agrees to provide the goods and services necessary to meet the following.

1. Contractor shall adhere to all local, state and federal regulatory agency requirements.
2. Contractor shall maintain service and quality levels at or above industry standards so as to minimize impaired services, low transmission, transmission interference, and similar deficiencies.
3. The Contractor shall not attempt to hold the state responsible for personal cellular telephone account charges incurred, or any actions resulting from improper or illegal use of cellular equipment / accessories acquired under this Contract, or on cellular service accounts established for personal use, as opposed to accounts established as State business accounts.
4. For personal cellular, data accounts established under the employee savings option offered through this contract, employees shall be personally responsible for all charges incurred on their individual accounts.
5. Customers accessing service under this Contract for business purposes shall not be subject to any financial/credit application, nor be denied service of any nature.
6. No direct Contractor or Alltel-sponsored telemarketing or commercials will be allowed targeting cellular equipment or services to State of Michigan government (Executive Branch) business or employees without the express approval of the contracting authority (DMB buyer and the contract administrator). The Contractor agrees to block and prevent such from occurring.
7. All equipment shall comply with applicable published safety standards including, but not limited to:
  - a. National Council on Radiation Protection and Measurements (NCRP).
  - b. American National Standards Institute (ANSI).
8. Contractor will provide a detailed description of any infrastructure requirements for the Wireless (cellular, data and paging) Telecommunications Services requested.
9. Contractor will include and update proposed Network Technology and Architecture as changes occur or upon request and as provided below.
  - a. Contractor has provided a description of contractor's wireless service including the technology used as follows:
 

Code Division Multiple Access (CDMA) is the chosen technology for Alltel. CDMA has evolved to 1X data, enabling burst speed up to the 153.6 kbps and currently evolving to 1X-DO, which will enable burst speeds upwards of 2.4Mbps.
  - b. Contractor provided the following regarding their network trouble monitoring capabilities:
 

Contractor monitors and responds to any condition that impact network reliability 24x7x365 with a manned Network Operations Center (NOC). Technicians are on call 24 X 7 to respond to any network related issues. They are contacted via an internal process utilized by customer care, NOC and network personnel.

Contractor ensures network performance has returned to normal operating status before any trouble ticket is cleared. This is done through operational support system diagnostics and alarm status indicators as well as test call scripts.
  - c. Contractor takes the following measures to ensure network security:
 

Contractor's reliability target for the network infrastructure is 99.999%. Contractor's targeted drop call rate is less than 2% and current regional averages are better than 1.5%.
  - d. Contractor provided how they will handle a major service disruption or a disaster causing an outage:
 

Contractor maintains a Disaster Recovery plan with roles and escalations processes for recovery. In the event of a major network outage, the SOM will be notified through their Contractor account representative. Contractor has plans for redirection of traffic in cases of transport problems. Contractor will also make available in the event of a network outage Cellular on Wheels (COWs) devices. Contractor will provide Switches on Wheels (SOWs) in the event of a major disaster.



## **A. Voice, Data and Push-To-Talk, Coverage**

Contractor agrees to provide service area coverage maps annually or as new coverage becomes available on the Following See **Exhibit A - Area Coverage Maps** .

- 1. State of Michigan**
- 2. National Coverage**
- 3. International Coverage**
- 4. Continuation of Service Coverage**
  - a. Throughout the term of the contract, Contractor agrees to provide the same or better level of coverage as that proposed and promised in their response to their solicitation.
- 5. Performance Testing Period**
  - a. Contractor agrees to a 30-day performance testing period to test equipment and/or coverage, commencing at the later date of either service activation or equipment receipt.
  - b. Contractor agrees during this performance testing period, that the subscriber may cancel service if coverage and/or service is not acceptable (e.g., consistently dropped calls, poor signal strength, call quality, or pages not received) and will incur no activation charges or termination penalties.
  - c. Contractor agrees the State will incur standard service charges during this performance testing period.
  - d. Contractor will provide the State with equipment at no cost through the performance testing period of thirty (30) days.
- 6. Coverage Improvement - Consistently Dropped Calls or Missed Pages – N/A**
- 7. Coverage Outages**
  - a. Contractor SPOC will notify the State of Michigan Program Manager and designated SOM contacts of any planned outages via email 48 to 72 hours prior to scheduled maintenance.
  - b. This notification will include impacted coverage areas and an estimated duration of the outage.
  - c. Contractor shall pro-rate invoices, where coverage outage is 24 hours, a full day of service for each subscriber for each 24 hour period.
  - d. If service is unavailable in a county as a result of an unplanned outage for more than one (1) hour, a full one day service credit shall be provided by Contractor for all subscribers in the county. Measurement shall be when State subscribers in a covered county, either roaming or direct service, report that service has been unavailable for more than one hour.  
Alltel billing systems does not have the ability to prorate invoices for network outages. Alltel will review and address any credit request as a result of extended outages as described above in C and D to provide applicable credits.

## **B. Voice and Data Service**

Contractor will provide the following features and services shall be included regardless of the phone or plan selected:

- Owners manual
- Voice mail
- Caller ID
- Message waiting indication
- Three-way calling
- Internal directory / Phone contact list
- Call waiting
- Call forwarding
- Call log including missed calls, dialed calls and received calls
- Battery status
- Indication of service (none, roaming, home)
- Detailed billing
- No charge for incomplete calls, busy/no answer, or dropped calls



## 1. Voice and Data Service

Contractor agrees to provide the following features are to be excluded regardless of the phone or plan selected:

- a. International calling – with the ability to activate on a case-by-case basis
- b. Online games
- c. Direct bill for digital goods or games
- d. Information services such as sports or stocks
- e. Advertisements
- f. Ability to download music or videos
- g. Calls to entertainment lines must be blocked ("900" numbers, etc.) additionally no cost will be incurred by the State. Alltel offers the ability to restrict calls to the handsets phonebook at the handset level. This restriction may also be managed on the BES for BlackBerry devices. While most entertainment numbers are blocked, we cannot guarantee fully that all can be blocked; Alltel will work with the State to resolve any issues on a case by case basis to meet this requirement.

## 2. Cellular voice services and equipment - Optional data service is primarily used for person-to-person voice communication Alltel agrees to provide the following:

- a. Rates that include activation, access, roaming and domestic long distance, plus the base phone charges.
- b. No charges for unanswered calls.
- c. Unlimited member-to-member or "group" calling options.
- d. Free nights and weekends to start at 9pm Alltel offers My Circle which allows unlimited free calling to any 5, 10, or 20 numbers on any network, anywhere in America. This feature (7:00 p.m. option) can be purchased for \$7 per line if needed see pricing section.
- e. Domestic long distance is included when placing calls in the home airtime rate and coverage area.

### A. Contractor agrees to provide the following for voice mail:

- i. Contractor will provide one standard announcement, which may be personalized per the end user.
- ii. Contractor offers two options for voice mail services: Contractor Basic Voice Mail - Message length 1 minute and Contractor Enhanced Voice Mail - Message length 2 minutes
- iii. Contractor offers two options for voice mail services: Contractor Basic Voice Mail - Message Capacity 15 and Contractor Enhanced Voice Mail - Message Capacity 30.  
Upon request based on state business needs Alltel can offer the Enhanced voicemail option on a case by case basis at no cost.
- iv. Contractor offers two options for voice mail services: Contractor Basic Voice Mail- Retention period of 14 days and Contractor Enhanced Voice Mail- Retention period of 21 days. See iv. above
- v. End users may retrieve their voice mail by dialing the number assigned to said handset then entering their personal security code.
- vi. Contractor voice mail calls are treated as an outgoing call. Normal package minutes will apply.

### B. Picture Phones services:

- i. Photos may be transferred wirelessly via Alltel's Axxess Picture Messaging feature. Contractor also offers a data connectivity kit that allows a cell phone to be used as a modem while connected to a laptop. These services are available at additional cost.

### C. Voice Priority Services

- i. Alltel will provide Wireless Priority Service to the State upon approval by the National Communications Services application. Wireless Priority Service (WPS) provides priority for emergency calls made from wireless handsets by qualified Customers during periods of network congestion. WPS is only available for qualified postpaid Customers.

WPS Details



WPS service gives approved agencies a higher chance of call completion if a national disaster or emergency happens.

The call will be placed in a queue for the next available wireless voice channel ahead of end users not subscribing to WPS.

Key federal, state, and local government as well as critical personnel who serve in National Security/Emergency Preparedness leadership positions are eligible for WPS.

Criteria have been established to help determine Customer eligibility for WPS service.

Computer Science Company processes and approves applications from organizations requesting this service. The Customer must request WPS by going to [www.wps.ncs.gov/](http://www.wps.ncs.gov/) and completing the application. Alltel will only add, change, or delete the feature at the request of Computer Science Company. Minutes used for WPS calls will deduct from wireless package minutes. WPS service will only be available in Lucent and Nortel markets at launch. Motorola markets will be available at a later date. When a Customer travels outside the WPS service area their calls will be placed in queue as normal.

- ii. In the event of a natural disaster or emergency, Contractor shall provide priority voice cellular service to State employees with critical job duties that are responsible for responding to such events. Priority access is defined as giving State authorities, in times of emergency, access to a Alltel's network ahead of the general public.
  1. Based upon the disaster or emergency, the agencies or entities include, but are not limited to, law enforcement (both state and local), Governor's office, Michigan Department of Environmental Quality, Michigan Department of Transportation, Michigan State Police Emergency Management and Homeland Security Division, Michigan Department of Health and other first responders. This list is not all inclusive.
  2. If there are levels of priority, list those in this item with a description of each level.
  3. If there are limitations as to the number of phones that may have priority access, Contractor must provide that limitation in this item.
  4. Indicate the details behind this, including the procedures required to apply for and initiate priority service, and any additional processes or procedures required of the State to specify those needing priority status.
  5. In the pricing section, list any airtime or per call fees associated with priority service.
  6. Describe how your company will negotiate with other carriers to provide the State with priority service during local, state and federal state of emergency (ies).
  7. Describe how your company will make available test service for a thirty day period for up to ten personnel and your approach to periodic testing.
- ii. In addition to priority access, agencies or entities which do not currently use cellular services may need to have access to such services during an emergency. Contractor must have the ability to provide a bank of cellular phones with priority access for use during a natural disaster or emergency.
  1. Contractor must indicate the maximum number of phones available for such emergencies.
  2. Contractor must detail the procedures for obtaining these phones as well as any additional cost for these phones and services. All cost must be detailed in Section 1.601, Compensation and Payment.
- iii. Contractor must detail their participation in Wireless Priority Service (WPS). If Contractor participates in WPS, Contractor must include in the cost summary charges for this service.
  1. Some agencies within the State receive emergency preparedness grants. These grants require WPS access for key response personnel. Therefore, the State reserves the right to go a vendor outside the contract if the awarded Contractor does not participate in WPS.
  2. Describe the data services available under WPS, and if so, provide pricing per kb in your price proposal.

**D. Emergency Use ONLY Phone Services**

Contractor offers the State of Michigan the following plan for emergency use:

\$5.99 State of Michigan – Flat Rate plan

0 minutes included

\$0.15 per minute

Phones purchased on this plan are available at full contract price with no discounts available. Additionally refer to pricing section for most current rates

**E. E911 Capabilities**

All current Contractor handsets are E911 compliant. Alltel's E911 team places all communication onto an internal website with all regulated E911 updates. All current Contractor and roaming partners service areas of the State of Michigan support Phase II of E911.

**F. Number Portability Requirement**

Contractor will abide by the FCC guidelines outlined on 11/10/03. The State of Michigan retains the right to transfer their wireless numbers as allowed by the FCC number portability mandate. However, numbers are issued by NANPA (North American Numbering Plan Administration) and "owned" by the initial requesting telecommunications carrier. Therefore, numbers that the State of Michigan port or transfer into Contractor is not owned by neither the State of Michigan nor Alltel, but by the carrier who originally issued the number. In the event that the State of Michigan was to cancel a number and deactivate the line, the number would "snap back" to the initiating carrier and Contractor would not retain the number.

Alltel's goal to port in numbers will be the FCC's guideline of 2.5 hours for a "simple" port of one line, wireless to wireless.

The following is a list of expectations the end-users should have when their wireless telephone number is being ported to Contractor service:

- i. The end user will only be able to make outgoing calls on the new handset until the port is complete. The end user should be able to make and receive calls on the old handset.
- ii. 911 calls made on the new handset in areas that have enhanced 911 services may not have callback functionality during the porting process.
- iii. The goal set by the industry to complete a port is 2.5 hours. However, the time required for a port to complete is dependent on the responsiveness of the old service provider and the status the customer has with the old service provider.
- iv. The customer will need to pay the remaining balance on the account, and possibly a port-out fee to the old service provider.
- v. Certain inbound features may not work until the port is completed and may not work even afterwards if the end user is roaming in rural areas outside Alltel's network. These features include: Voicemail, Text Messaging, and Caller ID delivery.
- vi. Existing voicemail messages on the old handset will be lost once the port is complete.
- vii. Contractor will contact the end-user if additional information is required or there are any problems with the port.
- viii. Contractor will make every attempt to contact the end-user once the port is complete. The end-user will also know the port is complete if he/she starts receiving calls on the new handset or if the old handset stops working.
- ix. The end-user should call the National Accounts Department at 877-501-3813, option 3 if they have questions about their port.

Contractor recommends the end-user should keep both handsets charged and with them until number port is complete.

**G. Voice Handsets**

- i. Alltel's standard base handsets shall include:
  - a. AC wall charger and hands-free operation kit.





Contractor will offer the State a discount on the purchase of accessories. Alltel will offer a free basic headset upon request. Alltel will offer a Bluetooth option for \$20 per headset. Some manufactures include Belt Clips inside the packaging; please refer to the handset matrix or sales rep for specific details.

- ii. Describe standard handsets, that is, the handsets that will be included as part of the base service and features supported See equipment listed Exhibit D.
- iii. Contractor agrees to provide at a minimum of 3 handsets for a 30 day evaluation period.
- iv. Special handset requirements:
  - a. Contractor agrees to provide handsets with NO picture phones or other special features.
  - b. Contractor agrees to provide picture phones and associated services.
- v. Alltel will replace equipment on an as needed basis. Alltel will not interrupt RIM server service. Device support is handled through Contractor Data Technical support.
- vi. Contractor offers the following PDA devices, which support Office Sync: Palm Treo 700p, Palm Treo 700wx and Motorola Q.
- vii. Contractor voice dialing is handset based only. No fee is incurred when using Contractor voice dialing.
- viii. Contractor handsets have the capability to load contacts. Contacts may be loaded by using an Contractor data connectivity kit. No fee is required.
- ix. Contacts and calendar information must be capable of being transferred between subscriber handsets for new and existing subscribers. . Smartphone devices may have their calendars transferred via the BES depending upon IT policies and procedures within the State. Most basic handsets have a calendar option; some of them may be able to be transferred to the new handset. Alltel will attempt to accommodate where possible.
- x. Contractor offers handsets that are, but not limited to, dual mode capabilities.,
- xi. Contractor offers Bluetooth compatible handsets. The Bluetooth handsets work with vehicle installed and wireless ear buds.

#### **H. "411" Service**

- i. Contractor provides "411" service as an automatic feature for all customers. Each call made to directory assistance is \$1.50 when placed from the wireless handset device. Additionally refer to pricing section for most current rates

#### **4. Combined Voice and Push-to-Talk (PTT) with Optional Data Services**

##### **a. Secure Network Access**

Contractor uses CDMA for Secure Network Access. The inherent security of CDMA air interface comes from spread spectrum technology and the use of Walsh codes. CDMA utilizes specific spreading sequences and pseudo-random codes for the forward link (i.e. the path from the base station to the mobile) and on the reverse link (i.e. the path from the mobile to the base station). These spreading techniques are used to form unique code channels for individual users in both directions of the communication channel.

##### **b. Transmission Delay (Latency)**

Contractor shall provide information regarding the transmission delay for connection through PTT service and provide updates to this information through the term of the contract should this information change.

- i. Alltel's Touch2Talk (T2T) call set up latency is 3 seconds or less, however in call volleys for Alltel's T2T is 0.1 seconds.
- ii. Latency is consistent across geographic locations.

##### **c. Calling Group Setup**

Contractor T2T does offer group calling. Groups can be set up at time of activation either via the handset or Internet.

##### **d. Online Management of Calling Groups**

Contractor T2T contacts and groups can be managed via the T2T webpage at [http://www.alltel.com/business/enhanced/workforce\\_productivity.html](http://www.alltel.com/business/enhanced/workforce_productivity.html).



**e. Calling Group Membership Limitation**

Contractor T2T group membership is limited to 30 users per group

**f. Calling Group Size**

Contractor T2T supports group calling with up to 30 members per group.

**g. PTT Measurement**

Most Contractor T2T plans offer unlimited bucket of minutes, however for plans with a package of minutes, T2T calls are billed by the second then aggregated and converted to minutes at the end of the billing cycle and rounded up to the next minute.

**Voice and PTT Priority Services**

Alltel will provide Wireless Priority Service to the State upon approval by the National Communications Services application. Wireless Priority Service (WPS) provides priority for emergency calls made from wireless handsets by qualified Customers during periods of network congestion. WPS is only available for qualified postpaid Customers.

**h. WPS Details**

- i. WS service gives approved agencies a higher chance of call completion if a national disaster or emergency happens.
- ii. The call will be placed in a queue for the next available wireless voice channel ahead of end users not subscribing to WPS.
- iii. Key federal, state, and local government as well as critical personnel who serve in National Security/Emergency Preparedness leadership positions are eligible for WPS.
- iv. Criteria has been established to help determine Customer eligibility for WPS service.
- v. Computer Science Company processes and approves applications from organizations requesting this service.
- vi. The Customer must request WPS by going to [www.wps.ncs.gov/](http://www.wps.ncs.gov/) and completing the application.
- vii. Alltel will only add, change, or delete the feature at the request of Computer Science Company.
- viii. Minutes used for WPS calls will deduct from wireless package minutes.
- ix. WPS service will only be available in Lucent and Nortel markets at launch. Motorola markets will be available at a later date.

**i. In the event of a Natural disaster or emergency**

- i. Contractor shall provide priority PTT service to State employees with critical job duties that are responsible for responding to such events, as described in Section 3(e) (i), above.
- ii. Indicate the details behind this, including the procedures required to apply for and initiate priority service, and any additional processes or procedures required of the State to specify those needing priority status.
- iii. List any airtime or per call fees associated with priority service.
- iv. Contractor must indicate if PTT has priority over traditional cellular service, even if that cellular service has priority access.

**j. Hybrid Service**

Contractor T2T and voice work on a single CDMA circuit switched platform.

**k. Emergency Use ONLY PTT Plans and Phones**

Contractor does not currently offer emergency use only PTT plans at this time.

**5. Data Services Requirements for PC Cards and Optional Data Service**

- a. Alltel's EVDO transfer rates exceed this requirement in areas of adequate signal.
- b. Alltel's 1xRTT service will provide coverage in areas where EVDO is not available.
- c. Services:
  - i. Email could be pushed or pulled. Options include: BES server for RIM devices, OfficeSync for Palm or Windows Mobile devices. Also, if using a laptop, a client based VPN into the State of Michigan LAN/WAN over Axxess Broadband or Axxess Enterprise connection from Contractor MIP devices into State of Michigan LAN/WAN
  - ii. Calendar synchronization can be achieved over a cable or wirelessly. Options include: BES server or BlackBerry Desktop for RIM devices, OfficeSync Server or ActiveSync (over a cable) to Windows Mobile devices, OfficeSync Server or HotSync for Palm based devices
  - iii. It is possible to view most attachments on all three smartphone platforms,



- iv. Client based VPN into the State of Michigan LAN/WAN over Axxess Broadband or Axxess Enterprise connection from Contractor MIP devices into State of Michigan LAN/WAN will provide Document Access as requested.
  - v. Any Contractor device with Internet access will achieve this email platform with mobile services enabled
  - vi. Contacts could be accessed. Options include: BES server or BlackBerry Desktop for RIM devices, OfficeSync Server or ActiveSync (over a cable) to Windows Mobile devices, OfficeSync Server or HotSync for Palm based devices. Also, if using a laptop, a client based VPN into the State of Michigan LAN/WAN over Axxess Broadband or Axxess Enterprise connection from Contractor MIP devices into State of Michigan LAN/WAN.
  - vii. As long as the feature plan is included, most Contractor devices allow user access to most websites
  - viii. Smartphones include POP3 clients. As long as the ISP/email host used by the State of Michigan allows SMTP access from the Contractor domain, this is possible
  - ix. If using a laptop, a client based VPN into the State of Michigan LAN/WAN over Axxess Broadband or Axxess Enterprise connection from Contractor MIP devices into State of Michigan LAN/WAN. BES server can access GroupWise for RIM devices. 3rd party partner Notify, using NotifyLink, can be used for GroupWise access for Windows Mobile or Palm devices. GroupWise also offers Intellisync for free, which allows Palm or Windows Mobile user access to GroupWise.
  - x. If using a laptop, a client based VPN into the State of Michigan LAN/WAN over Axxess Broadband or Axxess Enterprise connection from Contractor MIP devices into State of Michigan LAN/WAN. BES server can access Exchange for RIM devices. OfficeSync can be used for Exchange access for Windows Mobile or Palm devices.
  - xi. Push to X features (for example one push picture send) Most handsets have options inside the menu to customize, please refer to handset matrix for options.
  - xii. Presence for IMS Some handsets have the capability of IMS, please refer to handset matrix.
- d. Axxess Enterprise is an alternative to a client-based VPN solutions on the mobile PC client and works with Axxess MobileLink or Axxess Broadband devices.

Axxess Enterprise is available with three options:

- Static IP – Mobile device can access the Internet without restrictions. Server originated traffic to the mobile static IPs, by default, are blocked for security. The customer may provide Contractor with the originating network broadcast IP range (customer network info), and the application ports and protocols utilized to allow server-originated access to the mobile static IPs.
- T1 w/static IP - Traffic to and from the mobile static IPs are routed from the Contractor network to the customer network over dedicated T1 connection(s). This option allows mobile devices to access customer data center resources without having the traffic route over the Internet. The additional fees from Contractor would only be the expense of a T1 or multiple T1 circuits.
- IPSec w/static IP – This option is similar to the T1 option, only an IPSec tunnel over the Internet is established in place of the T1. This option eliminates the additional monthly expense of a T1, but provides the same level of security, as the traffic over the Internet is “invisible” to other Internet users.

Axxess Enterprise benefits:

- Determine and monitor which IP addresses can access your enterprise network.
- Eliminate the security risk of sending your important, confidential business information over the traditional Internet.
- Eliminate the wasted RF overhead of client-based VPN tunnels.
- Maximize the performance of the Axxess MobileLink and Axxess Broadband high-speed wireless networks.





- Receive dedicated enterprise class support.
- Contractor is responsible for delivering any mobile-originated packet to the WAN interface on the customer router and back. This includes the performance of the circuit between Contractor and the customer for metrics, such as bit errors, collisions, frame slips, etc., that affect the delivery of packets. This does NOT include capacity monitoring. *Router:* Contractor is not responsible for the customer router. The customer is responsible for the router at their location. The customer is responsible for adding routes, managing security (including access lists), NAT assignments and capacity monitoring. *Applications:* The customer is responsible for their applications, both server and clients. Contractor will not troubleshoot applications, except as an indication of possible TCP/IP issues. For example, Contractor will not troubleshoot e-mail, but can assist with tracing the route to ensure the packets are being delivered to the customer and verifying there is no port filtering on Contractor networks related to that application.

### **Email access**

Contractor customers may access corporate email if the appropriate version of Microsoft Exchange, Lotus Notes/Domino, or Novell GroupWise is utilized:

- Using Axxess MobileLink/Broadband with a laptop or tablet PC
- Using the BlackBerry handset with BlackBerry Enterprise Server
- Using a UT Starcom (with Windows Mobile 5.0) or Palm Treo devices (with either Windows Mobile 5.2 Pocket PC Phone Edition or Palm OS) with NotifyLink or Alltel's OfficeSync.
- Using the WAP browser on any Contractor handset (requires Mobile Web Feature) or Alltel's OfficeSync for standard mobile phones.

### **"Middleware" Enterprise Applications**

Contractor offers many choices for email and PIM (Personal Information Manager) integration with the mobile devices we offer.

BlackBerry Enterprise Server (BlackBerry devices only)

- "Push" email and reconciliation with Exchange, Domino or GroupWise
- Synchronize address book, calendar, tasks, and memos wirelessly
- IT can secure and manage the device wirelessly
- OfficeSync Server Edition (UT Starcom and Palm Treo)
- "Push" email and reconciliation with Exchange or Domino
- Synchronize address book and calendar wirelessly
- OfficeSync Personal Edition (UT Starcom and Palm Treo)
- "Push" email and reconciliation with Exchange or Domino
- Synchronize address book and calendar wirelessly
- Requires user PC to be on and logged in
- NotifyLink (BlackBerry, UT Starcom and Palm Treo)
- "Push" email and reconciliation with Exchange, GroupWise, and other UNIX based groupware enterprise software
- Synchronize address book, calendar, tasks, and memos wirelessly

Alltel's technology utilizes CAVE, which is a 128-bit encryption algorithm. Also, each device is assigned a phone number that is matched to the card's ESN (electronic serial number) in our billing system and phone-switch databases. It is recommended that the customer utilize a personal firewall and antivirus program to ensure the best possible security for their data. Utilizing a client-based VPN (Virtual Private Network) connection is also a recommended for accessing internal corporate applications and is the customer's responsibility. (Using a client-based VPN will significantly degrade performance due to encryption overhead. Note the next section.)



- e. Contractor practices a number of different methods to protect wireless data users from Internet attacks. The entire Contractor Wireless Data Network (WDN) is isolated from the Internet via firewall to provide a safe route for Axxess Enterprise customers to use to get to their applications. If a customer uses the Contractor Broadband network with the Axxess Enterprise solution, Contractor can route their data on a private network, separate from the Internet, directly back to the customers LAN. Contractor can also give their customers individually a contiguous IP segment, which can be allowed exclusively through the customer's personal firewall. CDMA2000 technology also has inherent security of 128bit encryption using the CAVE algorithm. Internet Firewalls and internal routers handle the perimeter defense of the WDN. Subscriber authentication uses CHAP (Challenge Handshake Authentication Protocol) for the PDSN-AAA servers. Additional security can be layered on by the customer easily using various VPN protocols such as IPSec or SSL for complete end-to-end encryption. All of Alltel's wireless data equipment is housed in each market in a highly secure, hardened facility with redundancy built-in at every possible level including power, data links, backup, and physical equipment.
- f. Describe in detail the available data services. If any of the data also use plan minutes this should be noted in the pricing section.
- g. Alltel's standard for PCMCIA, Express, and USB modems is QuickLink Mobile, written by SmithMicro.
- h. All Contractor smartphones can be tethered to a laptop PC. Many of Alltel's standard handsets have data kits available as well.
- i. Provide a description of Alltel's wireless solution that synchronizes e-mail and PIM (personal information management) information with an employee's office computer. Email and PIM could be pushed or pulled. Options include: BES server for RIM devices, OfficeSync for Palm or Windows Mobile devices. Also, if using a laptop, a client based VPN into the State of Michigan LAN/WAN over Axxess Broadband or Axxess Enterprise connection from Alltel MIP devices into State of Michigan LAN/WAN. The State of Michigan must specify GroupWise or Exchange.
- j. Data Sessions will remain in an active state as long as a wireless connection is available. In some cases the session will end after eight to twelve hours.
- k. Modems or phones utilizing the Contractor data network will enter dormant state after 20 seconds without data transfer. If server originated or mobile originated traffic is initiated, the connection leaves dormant state within milliseconds. NOTE - Some applications are not "wireless friendly" and will not recover from dormant state.
- l. Describe optional services and what they cost (provide pricing in the pricing section). Specific optional services to be described are listed below. Any other optional services should be described.

GPS-based location services to track the phone's location. Alltel offers this service through ECONZ. Econz Timecard LBS is a wireless application that captures Mobile Workers Location, Speed, Movement (Bread Crumb), and allows Managers to monitor employee attendance and work information. Including job tasks, sub-tasks, progress, and custom job tracking information, set Smart Fences.

- i. Contractor offers TeleNav service which is a location based service that provides users with turn-by-turn directions, points of interest, fuel finder, and full color 2D and 3D vector maps. This product is available on specific handsets.
- ii. Alltel offers TeleNav on several devices. These devices are listed at the following website, <http://www.telenav.com/products/tn/devices/alltel.html>
- iii. Contractor offers the text messaging packages: State is reviewing policy on use
- iv. Contractor does not provide email/IM service, but acts as a conduit for these services. The Internet is accessible if the appropriate data plan is on the account
- m. The State requires the ability to block use of the optional services at the Agency level and phone level. Describe how this can be accomplished at the phone and agency level. Contractor agrees to provide the State with the ability to block features at the handset level. This is done by adding a feature to the individual subscriber's wireless phone number.



- i. The State requires PC data card software must be compatible with the State's standard laptop and desktop builds, VPN and security protocol. –
- ii. Are cellular phone usage minutes incurred while using of the services described in this section? Clearly identify these services. Alltel's data services typically are not calculated by minutes of use. In instances where no mobile web feature exists then users will be charged package minutes.

### **1. Service Support and Administration**

- 2. Coordination with State Agency Telecommunications Coordinators (ATC)s** Contractor shall be expected to coordinate most contractual activities resulting from this RFP with State Agency Telecommunications Coordinators (ATC). The State will provide a list of ATCs to the Contractor within five (5) days after the contract is signed.
  - a. Contractor maintains an Account Profile, which contains all contract information and a listing of all authorized individuals that may place orders on the State behalf.
  - b. Contractor acknowledges and agrees that the State shall bear no liability on Contracts entered into for purchases by non-State Authorized Personnel which liability the State expressly disclaims..
  - c. Contractor agrees with regard to non-State Authorized Personnel to look solely to the respective contracting party for any rights and remedies.

### **Customer Service Requirements**

#### **1. Customer Support Availability**

- i. Contractor Response: Contractor agrees to provide a designated National Account representative to be available during normal business hours Monday thru Friday 8:00 a.m. – 5:00 p.m. EDT.
- ii. Customer service must respond to any customer service requests within four (4) hours of notice.
- ii. Contractor must also provide general business customer support, accessible 24 hours a day and seven (7) days a week Contractor National Accounts hours of operation are Monday thru Friday 7:00 a.m. – 6:00 p.m. CST -
- iii. Toll-free number customer service assistance and account service, available 7 x 24 Contractor Response: Contractor National Accounts provides a toll-free number for customer service and account assistance. This assistance is available Monday thru Friday 7:00 a.m. – 6:00 p.m. CST. Alltel offers a technical support service department that is available 24/7.
- i. Contractor will provide a toll-free number dedicated to National Account customers only. This number is not available to the general public.
- iv. Support “on-hold” times will be less than 5 minutes prior to reaching an agent. Provide present hold queue statistics. Alltel's National Accounts department average hold time is 27 seconds.

#### **2. Technical Support Availability**

- i. Contractor provides Technical Support 24x7x365.
- ii. Contractor will provide technical support must respond to any requests within 4 hours of notice.
- iii. Contractor provides Technical Support 24x7x365.
- iv. Contractor provides a toll-free number to Technical Support available 7x24.
- v. Alltel's Technical Support is available for support questions/issues including hardware problems, general service issues, and network issues.
- vi. Contractor provides a toll-free number to Technical Support.
- vii. Contractor will provide support “on-hold” times will be less than 5 minutes prior to reaching an agent.

#### **3. Escalation Procedures**

Contractor must have an escalation procedure in place for issue resolution.

- i. Contractor's Account Analyst that will act as the single point of contact for all State billing, contract issues, technical support and network issues. The assigned National Account Analyst is responsible for all research and resolution of all issues brought forth by the State. The National Account Analyst reports directly to the National Accounts Manager. All issues unresolved by the Account Analyst will be escalated to the National Account Manager.



Alltel's escalation list is as follows:

1<sup>st</sup> point of escalation – within 1 to 2 hours

Kimberly J. Edwards – National Account Manager

(501) 905-5538

Kimberly.j.Edwards@alltel.com

2<sup>nd</sup> point of escalation – within 1 to 2 hours

Grace Rector – Director – National Accounts

(501) 905-5211

grace.rector@alltel.com

3<sup>rd</sup> point of escalation – within 1 to 2 hours

Robin Morocco – VP – Business Support

(501) 905-4546

robin.morocco@alltel.com

#### **4. Unresolved Issues**

Contractor agrees to notify the State's Designated Program Manager in writing of any unresolved issues or problems that have been outstanding for more than ten (10) business days.

#### **5. Performance Audits**

- i. Contractor agrees to allow the State the right to conduct periodic performance audits in all area of services required by this contract throughout the term of this contract at the discretion of the State's Designated Contract Administrator.
- ii. Contractor agrees to provide any additional documentation necessary for the performance audit, as requested by the State, within 15 calendar days of request.

#### **6. State Business Review Meetings**

- i. Contractor agrees to meet with the State every three months or as otherwise specified to maintain the partnership between the State and the Contractor. This review may involve, but not be limited to, Contractor performance, problem resolution, mandatory and custom reports, and improvement opportunities.

#### **7. Exemption from Taxes, Fees and Surcharges**

The State is exempt from all Federal, State and Local taxes. Moreover, since the wireless industry is unregulated to date, the State finds no justification for the payment of any Universal Service Fund (USF) charges or any other taxes, fees or surcharges.

- i. If Contractor(s) intends to include any taxes, fees or surcharges in the attached cost models, Contractor is to reference and cite the specific regulatory mandate. Provide billing method and presentation on billings for these taxes, fees and/or surcharges for each service bid. Section 54.712 of the FCC regulations allows for the recovery of the federal universal service contribution from end users. Contractor utilizes the wireless safe harbor method to recover these contributions, Alltel charges all federally mandated fees to include but not be limited to the following; regulatory cost recovery fee, telecom connectivity fee, federal usf and all applicable state, local and federal taxes. In the event that the State of Michigan feels they are being charged incorrectly, Alltel will review and adjust accordingly.

#### **8. "No Shut Off" Policy for State Accounts**

Contractor agrees to identify/flag all State accounts for which service will not be interrupted due to outstanding balance, disputed amount owed or late payments due.



**9. New Materials Required**

- i. Contractor agrees that all materials and equipment delivered and/or installed under the Contract awarded from this RFP shall be new and be the standard products of a manufacturer regularly engaged in the production of the materials and equipment.
- ii. Contractor agrees that where two or more units of the same class of materials and/or equipment are required, the units shall be the products of the same manufacturer.
- iii. Contractor agrees that any manufacturer's data and/or documentation supplied with the item(s) shall be submitted to the State's authorized representative.
- iv. Contractor agrees to advise the State of the availability of new software that may require equipment be updated. Contractor agrees to "flash" equipment with the latest available software and features, when authorized by the State, at no charge to the State for the duration of the Contract.

**10. Activation/Termination/Suspension of Service**

**i. Existing Equipment**

- a. Contractor agrees to activate, terminate or suspend service on existing equipment and complete requested plan changes within 24 hours of notification by the Agency Telecommunications Coordinator (ATC).
- b. The Contractor National Account department is structured to provide customers with timely order processing and dedicated account support. The National Accounts Operations Group consists of 12 Coordinators that process all new activations, upgrades, and account maintenance orders (including rate plan changes, feature changes, etc) received via email at [aci.national.accounts@alltel.com](mailto:aci.national.accounts@alltel.com) or via telephone at 877-501-3813 option 3 from the State's designated point of contact.

**ii. Activation of Service - New Equipment**

- a. Contractor shall complete service activation on new equipment within 48 hours of shipping. New equipment that is picked up at an Contractor store shall be activated immediately.

**iii. Activation of Service for Emergency**

- a. Contractor agrees to activate equipment within 24 hours of notification by the State's authorized contact in the event of an emergency
- b. To activate service for emergency purposes in less than 24 hours, the ATC will contact Alltel's National Accounts department via email at [aci.national.accounts@alltel.com](mailto:aci.national.accounts@alltel.com) or via phone at 877-501-3813 option 3 indicating that service must be initiated due to an emergency situation..
- c. Indicate the estimated time in regular (not business) hours (e.g., 2 hours) to activate service upon notification, and the number of phones that can be activated in that period. Contractor will provide equipment to be kept at a secure State of Michigan location for emergency use. These phones will not be active until notification is received by the ATC.

**iv. Contract Terms**

- a. Contractor agrees the contract shall be coterminous with master agreement.
- b. Contractor agrees no contracts for each subscriber shall be assessed.

**v. Temporary Suspension & Reactivation**

- a. Contractor agrees to suspend and reactivate lines within 24 business hours of notification by the ATC.
- b. During periods of suspension, the line will incur charges, and the wireless number will not change before, during, or after suspension. Alltel offers a \$5.99 plan during suspensions. The wireless number would not change.
- c. Contractor will provide a maximum period of suspension of 6 months.





- d. The ATC will contact Alltel's National Accounts department via email at aci.national.accounts@alltel.com or via phone at 877-501-3813 option 3 requesting temporary service suspensions and service reactivation.
- e. Contractor agrees not to charge a fee for activating or deactivating a service
- vi. **Outage Credit**
  - a. For options that include any fixed month fees, for each 24 hour outage period, the Contractor must pro-rate the bill for a full day of service for each impacted subscriber. Alltel billing systems does not have the ability to prorate invoices for network outages. Alltel will review and address any credit request as a result of outages as described above to provide applicable credits.

#### **11. Replacement Equipment**

- i. Contractor agrees to replace all original equipment with equipment of equal or greater value.
- ii. Contractor agrees all replacement parts will be new unless otherwise agreed to in writing.

#### **12. Lost/Stolen Equipment**

- i. In the event a free piece of equipment is lost or stolen, Contractor will replace one device at the negotiated contract price in the event the original equipment is lost or stolen. Any subsequent losses will be replaced at the one-year contract price, not to exceed \$100.00 or then best offer which ever provides the best value.
- ii. If the equipment to be replaced was not free, Contractor agrees to replace equipment at the negotiated contract price.

#### **13. Fraud Monitoring & Prevention**

- i. Contractor will be responsible for all fraudulent charges that the State has no control over (i.e., cloning, tumbling, network frauds. Should the ATC declare such activity as fraudulent, Contractor shall immediately deactivate the service and provide adjustments to the account.

#### **14. Existing Hardware Compatibility/Replacement Requirements**

- i. At the State's discretion, the Contractor and/or subscriber shall be allowed to use existing equipment under the new contract where feasible.
- ii. Where not feasible, equivalent free phones (one flip style or one stick, depending on user's current model) must be made available to the end user if their phone must be replaced. If a new phone is required, a compatible AC wall charger must be included and car charger.
- iii. Contractor should specify current phone offerings that will be offered to meet these criteria. The State expects all other devices and accessories to be offered at significant discounts off retail price. Discounts should be detailed.

#### **15. Returned Goods Policy**

- i. Contractor agrees that materials and supplies deemed unacceptable by the State may be rejected by the State.
- ii. Contractor agrees that over-deliveries will be accepted only at the State's discretion.
- iii. Returned Goods Policy shall include full credit if such items are returned within thirty (30) days following date of receipt.
- iv.
  - i. Contractor agrees if items were ordered in error, the State shall pay return freight charges.
  - ii. Contractor agrees if Contractor is responsible for mis-shipped goods, Contractor shall incur return freight charges.
- v. Contractor agrees that all returned materials and supplies must be authorized by a Contractor representative and must cite a Return Goods Authorization number.
- vi. Contractor agrees that restocking charges will not apply if materials or supplies are returned within the Returned Goods Policy time frame and in saleable condition.
- vii. Contractor agrees to be responsible for the disposition on all defective, damaged or over-shipped merchandise.
  - a. Return Goods Authorization shall be provided by Contractor within seven (7) calendar



days of verbal notification.

b. If return authorization is not received within fourteen (14) days, the merchandise may be shipped back to Contractor for full credit, freight collect.

- viii. Contractor agrees to not ship to the State any material or supply which has been returned to Contractor either by the State or other customers due to quality or defective issues.
- ix. Contractor agrees to notify manufacturer of issues and return product to the manufacturer or dispose of product for no further use.

## 16. Warranties

- i. Contractor represents and warrants that it has the right to provide the Services and the cellular equipment to be provided under the Contract.
- ii. Contractor represents and warrants that all services and cellular equipment provided by Contractor shall meet or exceed the minimum specifications set forth in the original RFP and this contract.
- iii. Contractor represents and warrants that the State shall acquire good and clear title to the cellular equipment purchased hereunder, free and clear of all liens and encumbrances.
- iv. The cellular products provided by Contractor are "New". Should a cellular product become end-of-life a "New" comparable substitute shall be provided.
- v. Contractor represents and warrants that it has and will obtain and pass through to the State any and all warranties obtained or available from the manufacturer/licensor of the cellular product.
- vi. Contractor makes no Warranty regarding the cellular products and shall not be responsible for circumstances beyond its control. Contractor does not manufacture Equipment or Software and States only warranties and representations with respect to cellular products or software are those provided by the manufacture (with respect to which Contractor has no liability whatsoever). Contractor shall provide the State a return packing label at "no charge" for any defective equipment to be returned to Alltel, new cellular equipment will be provided at "no cost" as a replacement
- vii. Such warranties shall be effective notwithstanding prior inspection and / or final acceptance of said goods and / or services by the State.
- viii. Replacement for Equipment Covered Under Warranty - Contractor will provide replacements for equipment that is covered under warranty.
  - a. Contractor shall provide the State a return packing label at "no charge" for any defective equipment.
  - b. New cellular equipment will be ordered as a replacement and shipped for Overnight Delivery at "no cost" to the State.
- ix. Replacement Parts for Repair - will provide "New" cellular equipment "no cost" as a warranty replacement for defective equipment.
  - a. New cellular equipment provided as replacement shall become the property of the State.
  - b. No replacements parts shall be installed as "New" cellular equipment will be provided.
- x. Out of Warranty Repairs
  - a. The State can either have the cellular equipment repaired at the expense of the State, purchase Certified Refurbished equipment or Upgrade to new cellular equipment.
  - b. The New Repair Process allows a Customer to pay a flat \$100 repair fee to have their existing handset repaired and returned to them. The \$100 repair fee must be paid before the handset can be sent for repair. This new process doesn't support out-of-warranty handsets with liquid damage, physical damage, or handsets with major damage that would be considered outside of normal wear-and-tear. Note: All Out Of Warranty repair must be processed through a local Contractor Retail Store.

## 17. Product Recall Procedures

Contractor shall have the following to address product recalls:

- i. Contractor has a reliable and tested sales notification process that can quickly identify each customer that has received recalled products (provide a description of the process as an attachment).



- ii. Contractor shall notify the State's Designated Program Manager about the recall within 10 business days of official notification by the Manufacturer of a product recall. Notice shall be provided in a format to be approved by the State.
- iii. At the same time, the Contractor shall provide the State's Designated Program Manager with the planned process for notifying subscribers at the State.
- iv. Contractor will send out notifications to the subscribers who have recalled equipment within 30 calendar days of official notification by the manufacturer of product recall.
- v. If necessary to be returned to the manufacturer, recalled products will be returned to the manufacturer at no expense to the State.
- vi. Contractor shall supply comparable replacement equipment at no cost to coincide with the pick-up of recalled items.

## 18. Ordering

Ordering is defined as new orders, as well as changes to existing accounts.

### i. Order Process

The National Accounts Operations Group consists of 12 Coordinators that process all new activations, upgrades, and account maintenance orders (including rate plan changes, feature changes, etc) received via email at [aci.national.accounts@alltel.com](mailto:aci.national.accounts@alltel.com) or via telephone at 877-501-3813 option 3, from the State's designated point(s) of contact.

- Order is received by National Account Coordinator via email, fax or telephone call
- Order is logged in National Account database and email confirmation of order receipt is sent to designated ATC
- Order is processed through Contractor billing systems and equipment, if applicable, is ordered through customer direct fulfillment (CDF) vendor
- National Account Coordinator sends confirmation of order completion with all pertinent information, including new mobile number, account number, electronic serial number, and tracking/shipping information
- National Account Coordinator closes the order in the National Accounts database

National Account Operations Standard Service Levels:

Electronic Serial Number (ESN) Change – 4 business hours

Disconnect of Service – 4 business hours

New Activation – 4-5 business days

Upgrade of Equipment – 4-5 business days

Rate Plan Change – 1 business day (if request is for 1-25 lines of service)

Feature Adds or Deletes – 1 business day

Account Inquiry Requests – 1 business day

Port in & Port out Requests – dependent upon porting carrier; usually within 2-3 hours.

### ii. Facsimile Ordering System

- a. Contractor will accept requests via facsimile from an approved ATC
- b. Same as process outlined in 18a.

### iii. Standard State Ordering Process

- a. Contractor shall only accept orders for equipment and services initiated as follows:
  1. Issue a State of Michigan Purchase Order
  2. Purchase with a State of Michigan P-Card
  3. Order through the State of Michigan DMB Web Portal - DMB Purchasing

### iv. Emergency Ordering Process

- a. Contractor will accept telephone orders for emergency requests. As an Contractor National Account customer access to all State of Michigan accounts is limited to only those employees with National Account security clearance. Limited information is available through the call centers and retail locations as these individuals do not have National Account security clearance. In the event of an emergency situation Alltel's local business sales team including the Business Solutions Representative, Key Account Representative and the Director of Business Solutions for the affected area will be notified and will assist with the deployment of emergency devices.





v. **Authorization Guidelines and Liability for Non-Authorized Purchases**

- a. Contractor will deliver wireless equipment and services to procuring agencies in accordance with the terms of this agreement. Accordingly, Contractor will provide equipment or services only upon the issuance and acceptance by Contractor of a valid order by ATC's.

vi. **Walk-in Ordering System**

- a. At this time Alltel's, offer to the State of Michigan does not provide the ability to walk into a retail store or kiosk to pick up accessories/equipment or to order service.

vii. **Order Number**

- a. Contractor agrees not to issue duplicate order numbers among ordering ATCs.

viii. **Order Acknowledgement**

- a. Contractor must provide an ATC with an order receipt acknowledgment within one (1) business day after receipt of an order.
- b. The order receipt acknowledgement must include the following:
  1. Equipment and/or service plan purchased
  2. Contractor tracking log number
  3. Agency order number (Purchase order number)
  4. Subscriber name
  5. Bill-to address
  6. Ship-to address
  7. Ordering department
  8. Account information
  9. Additional information required by the State

ix. **Out-of-Stock Notification**

- a. Contractor shall notify the ATC within one (1) business day after order acknowledgement if an item is out of stock.
- b. The ATC shall have the option of substituting an available product, or canceling the item from the order, in which case the Contractor must provide an option to get comparable equipment to the subscriber within 15 days of the order at no additional cost.
- c. Under no circumstance is the Contractor permitted to make unauthorized substitutions.

x. **Shipment Confirmation**

Contractor must provide a shipment confirmation to the ATC the same day the order is shipped. The shipment confirmation must contain the following information:

- a. Phone number for new lines
- b. Electronic serial number (ESN)
- c. Date shipped
- d. Tracking number
- e. Account number
- f. Subscriber name
- g. Additional information mutually agreed upon by the State and the Alltel

xi. **Unfilled Orders**

- a. Contractor agrees that unfilled orders and partial shipments shall be so indicated on the packing list.
- b. Contractor will automatically inform the ATC of the availability date of unfilled and partial shipment orders within three (3) business days of order request.

**19. Request to Add (RTA) Process**

- i. Contractor agrees to work with MDIT to add additional products and/or services to the contract. Contractor will respond within five business days providing a price quote for submitted request. In the case of a catalog addition, the updated information shall be included within seven to ten business days.

**20. Online Accounts**

- i. Contractor will provide a secure online access for ATCs to manage account structure and customized account hierarchy. The Business-to-Business (B2B) tool will also provide ATCs



with the ability to add/delete features, change subscriber names, perform electronic serial number changes, and reset voice mail passcodes. Future enhancements to the B2B tool include rate plan changes, activation and disconnect requests. Contractor will provide the appropriate ATC with an account change or termination acknowledgement within twenty-four (24) business hours of a change or termination request.

## **21. Product Web Catalog Requirements**

- i. Contractor will work with the State to implement a mutually agreed upon Product Web Catalog for ordering.
- ii. The State will work with Contractor to determine the requirements for the Product Web Catalog. The State will provide hot links to Alltel's Product Web Catalog via the State's DMB Purchasing Portal.
- iii. The web-based catalog will describe all of the products, support and training available from each particular Contract.
- iv. The catalog will be the source of documentation for all business processes and practices associated with the Contract(s) as well as contractual requirements, where applicable, and appropriate service levels, return policy, etc.
- v. The web-based catalog must provide the following information:
  - a. Access to the current pricing schedule for equipment and services to include (1) the pricing plans with the State's discounts (2) list of Basic Equipment (3) list of additional equipment with related price and the State's discounts.
  - b. Updated local, national and international coverage maps.
  - c. A "how to order" page to be developed with the State's Designated Program Manager and the appropriate subscriber representatives (e.g., ATCs) upon contract award.
  - d. Contractor contact information in sales and customer/technical support for each agency/department at the State.
  - e. List of Primary Customer Service Representatives by department and contact information.
  - f. List of Agency Telecommunication Coordinators (ATCs).
  - g. Detailed equipment and accessory descriptions; pictures when possible.
  - h. Additional links or information (where relevant) on the screen to access additional product literature, Alltel's home page, the history of the company, etc.
  - i. Any other specific information included within each of these categories will be mutually agreed upon by Contractor and the Program Manager and will be reviewed as part of the regularly scheduled quarterly Joint Operations meeting.
  - j. Review and approval of the Product Web Catalog will be the responsibility of the MDIT Program Manager.
- i. The category-specific sections of the Catalog must be updated within five business days specific to product and price information. The intent is that price information be updated more frequently whenever possible.
- ii. Approval of all product updates to the catalog is the responsibility of the MDIT Program Manager and will be handled in the following manner:
  - a. Any price decrease changes to products currently in the Product Web Catalog will be updated immediately and with prior approval by the MDIT Program Manager.
  - b. Any price increase to the Product Web Catalog must be reviewed and approved by the Program Manager.
  - c. Any new products released by a manufacturer which obsolete and replace a product currently in the Product Web Catalog, will be updated immediately, at no increase in price, and without prior approval by the Program Manager. The obsolete product will also be removed from the catalog immediately and without prior approval by the MDIT Program Manager. Notice must be provided to the State of any such changes.
  - d. Upon notification to the MDIT Program Manager, any products made end of life by a manufacturer and without replacement product will be removed from the catalog by Contractor without prior approval.



- e. Any new product(s) to be added to the Product Web Catalog that is not a direct replacement of a product currently in the catalog must follow the Request to Add procedure of Section 18, above.
- f. Contractor will provide the following information to the MDIT Program Manager:
  - 1. Manufacturer Name
  - 2. Product Name and Description
  - 3. Contractor Part Number
  - 4. Manufacturer Part Number
  - 5. Manufacturer Retail Price
  - 6. Discount
- iii. If the product(s) is approved for the Contract(s), the State's Program Manager will notify the Contractor that the product(s) must be added to the Contract(s) and published in the catalog.
- iv. Any approved changes, revisions, and/or additions to the Product Web Catalog, which are completed in a given month will be reported monthly by the Contractor to the Program Manager. Report format and data will be mutually agreed upon and be reviewed periodically as a part of the regularly scheduled quarterly Joint Operations meetings.

## 22. Delivery

### i. Delivery Cost

Contractor will not charge the state for delivery fees.

### ii. Emergency Deliveries

Contractor will provide a process for emergency deliveries.

- a. For emergency situations, Contractor will coordinate with the local representatives to insure that the user will receive a quick resolution. .
- b. Expedited delivery costs will not be waived.

### iii. Delivery Location

Contractor will deliver to the address specified on the order.

### iv. Shipped Equipment

Contractor will provide a packing slip with the following:

- a. ATC's name, section or unit name, location (street address, building, floor, and room number)
- b. Designated contact/name of ordering person (if different than ATC)
- c. Billing address
- d. Ship-to address
- e. Contractor Order number
- f. Agency order number (purchase order #)
- g. Description of items
- h. Additional information required by the State
- i. Packages containing multiple products shall be clearly labeled as such.

### v. Activation for New Subscribers

For new subscribers, Contractor will ship equipment activated, registered, and ready to use, unless specified otherwise.

### vi. Damaged and Defective Items

- a. Contractor will provide credit and/or replacement for freight-damaged or defective items and replace the items within 48 hours after notification by the ATC.
- b. Contractor will be responsible for the credit and/or replacement of any freight-damaged or defective products at time of delivery.
- c. Contractor will not require the ATC to deal directly with the manufacturer.
- d. Contractor will provide the ATC with a prepaid and self-addressed container suitable for the return of the item.

### vii. Items Shipped in Error

- a. The ATC will notify Contractor of an Contractor error in shipment.
- b. Contractor will accept returns of items shipped in error, and credit the procuring agency for the full amount.



- c. Contractor will provide the agency with a prepaid and self-addressed container suitable for the return of the item.

**viii. Restocking Policy**

- a. Contractor will not impose a restocking fee on the State if an item is returned due to damage, incorrect product shipped, or an order entry error by Alltel's customer service representative.
- b. Contractor will not impose a restocking fee on an authorized purchaser for inventory that is returned, but exchanged for other inventory.

**ix. Delivery Time Minimum Requirements**

Contractor will complete delivery of in-stock products within a maximum of three (3) business days after order acknowledgement.

**x. On-Time Delivery**

Contractor will maintain an overall monthly average of 95 percent for on-time delivery. The on-time delivery rate shall be calculated by dividing the number of on-time deliveries by the total number of deliveries..

**23. State's Designated Program Manager Reporting**

Contractor will provide the State with access to Alltel's Business-to-Business (B2B) billing platform. The State will be provided a login and password in which the point of contact becomes a Master User and may access all records. The Master User at the State will have the ability to assign a variety of roles to additional users as needed. This role will allow the user to see only the items the Master User deems appropriate.

This B2B tool allows authorized state personnel to add features, perform user name changes, as well as equipment changes. Additional functionality with regards to online ordering capabilities are scheduled enhancements to this system.

Contractor will provide additional support for updating the State of Michigan accounts through the National Account Organization. National Accounts will assign a dedicated Account Analyst and Coordinator to review and update account information.

Alltel's extranet solution or B2B, allows the State the ability to generate wireless usage and expenditure reports that can be downloaded into Microsoft Office applications.

This billing format contains numerous standard reports that may be downloaded into Microsoft Office applications. These reports may also be customized to provide additional information and may be scheduled to run at a specific time and will be generated automatically.

Examples of these reports are listed below:

- Wireless Summary Report - provides total wireless charges and usage for Plan Minutes, Charges, Used Plan Minutes, Exceeded Plan Minutes, Long-Distance Minutes, Long-Distance Charges, Roaming Minutes, Roaming Charges and Total Cost for each Account Number or wireless number selected.
- Daily Usage Report - provides total calls for each calendar day in the billing period. Only calls made during the billing period will be displayed. The reports shows number of calls, minutes used and the average minutes per call per day.
- Wireless Call Detail Summary Report - displays number of calls, total minutes used, roaming charges, airtime charge, total long-distance and total charge by either account or wireless subscriber(s) selected.
- All Calls Report - displays number of calls, total minutes used, roaming charges, airtime charge, total long-distance and total charge for all calls by either account or wireless subscriber(s) selected.
- Subscriber Current Charges Summary Report - displays Hierarchy level, number of wireless numbers selected local airtime used, taxes, long-distance charges, roaming charges and total costs.

The various management reports include:

- Account Charges Detail
- Account Charges Summary
- All Calls



- All Calls By Frequency
- All Calls During Peak Hours
- All Incoming Calls
- All Outgoing Calls
- Daily Usage Report
- Enhanced Rate Analysis
- Historical Comparison of Charges
- In-plan Calls During Peak Hours
- Invoice Cover Sheet
- Subscriber Current Charges
- Subscriber Current Charges Summary
- Subscriber Non-Usage Charges
- Subscriber Non-Usage Charges Summary
- Subscriber Summary
- Subscriber Usage Charges
- Three Months Usage
- Wireless Call Detail by Attribute
- Wireless Call Detail Summary
- Wireless Summary

#### **Overall Equipment Sales Report**

Contractor will provide monthly statewide and agency level summaries of wireless equipment (including handsets, handheld devices, accessories, etc.) purchase orders.

#### **24. Agency Reporting Requirements**

Contractor will provide the State with access to Alltel's Business-to-Business (B2B) billing platform.

The State will be provided a login and password in which the point of contact becomes a Master User and may access all records. The Master User at the State will have the ability to assign a variety of roles to additional users as needed. This role will allow the user to see only the items the Master User deems appropriate.

This B2B tool allows authorized state personnel to add features, perform user name changes, as well as equipment changes. Additional functionality with regards to online ordering capabilities are scheduled enhancements to this system.

Contractor will provide additional support for updating the State of Michigan accounts through the National Account Organization. National Accounts will assign a dedicated Account Analyst and Coordinator to review and update account information.

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- Daily Usage Report - provides total calls for each calendar day in the billing period. Only calls made during the billing period will be displayed. The reports shows number of calls, minutes used and the average minutes per call per day.



- Wireless Call Detail Summary Report - displays number of calls, total minutes used, roaming charges, airtime charge, total long-distance and total charge by either account or wireless subscriber(s) selected.
- All Calls Report - displays number of calls, total minutes used, roaming charges, airtime charge, total long-distance and total charge for all calls by either account or wireless subscriber(s) selected.
- Subscriber Current Charges Summary Report - displays Hierarchy level, number of wireless numbers selected local airtime used, taxes, long-distance charges, roaming charges and total costs.

The various management reports include:

- Account Charges Detail
- Account Charges Summary
- All Calls
- All Calls By Frequency
- All Calls During Peak Hours
- All Incoming Calls
- All Outgoing Calls
- Daily Usage Report
- Enhanced Rate Analysis
- Historical Comparison of Charges
- In-plan Calls During Peak Hours
- Invoice Cover Sheet
- Subscriber Current Charges
- Subscriber Current Charges Summary
- Subscriber Non-Usage Charges
- Subscriber Non-Usage Charges Summary
- Subscriber Summary
- Subscriber Usage Charges
- Three Months Usage
- Wireless Call Detail by Attribute
- Wireless Call Detail Summary
- Wireless Summary

## **25. Privacy**

- i. Contractor agrees to safeguard subscriber names and information and agrees not to share or sell this information to others, especially for the purposes of marketing, without explicit consent from the State.
- ii. Contractor agrees to list all numbers on the "National Do Not Call Registry".

## **26. Transition**

### **i. Transition Support**

Contractor will establish a Transition Team upon award of the contract. This team will include a Transition Analyst, a Port Support Group Representative and Supervisor, National Accounts Operations Supervisor, Business Solutions Representative, Director of Business Solutions and Data Solutions Engineer. Executive level management will also be included as needed.

The Transition Analyst will be the primary point of contact for all transition items and will coordinate with the various departments within Contractor and The State. The Transition Analyst will conduct conference calls to discuss the items needed from The State and will develop a detailed transition plan. This transition plan will be provided to both the The State POC and the Contractor Transition Team.

### **ii. Implementation Plan**

Immediately upon contract award or the effective date of the Contract, Contractor will begin implementation of the contract, and within seven (7) business days will submit to the State's





Designated Program Manager a detailed implementation plan containing the following:

- a. The process used to implement the contract, including time to implement the new pricing structure, products and service levels
- b. A tentative schedule with key milestones for modifying Alltel's system to add each party to the contract, including how Contractor will address transitioning subscribers from other carriers, implementing service switching, and the number of days needed to make this transition.
- c. A tentative schedule for modifying Alltel's system to transition existing subscribers to the new contract, implementing service switching and the number of days needed to make this transition.
- d. Provide details of Alltel's quality assurance program that will affect service and delivery.
- e. Contractor will provide a proposed method to ensure Alltel's ability to effectively handle implementation problems (e.g., adding extra staff during the implementation period, Contractor staff training, State staff training).
- f. How Contractor intends to educate the various subscribers in the State to facilitate adoption of products and to buy off the established contract. Alltel's ordering telephone, facsimile numbers, Internet address, the names of ordering contact persons, and telephone numbers and names of sales representatives.
- g. The training plan for statewide roll-out phases of contract implementation.

### **iii. Implementation Plan Process Review**

- a. Upon submitting the implementation plan, Contractor shall meet with the State (the State's Designated Program Manager and others as relevant) to discuss the plan and finalize the Alltel's draft implementation plan.
- b. The State will have the opportunity to validate and verify the overall process.
- c. Alltel's draft implementation plan shall be finalized within five (5) working days after input from the State.

### **iv. Transition Support for New Subscribers**

Contractor will support the State and help transition subscribers from other carriers. To facilitate the transition, Contractor will include the following:

- a. Customer service representatives available to answer questions and transition subscribers.
- b. Onsite Information and training sessions.
- c. Onsite representatives to sign up new and transitioning subscribers.

### **v. Transition Support for Subscriber from Different Service Provider**

Contractor agrees that subscribers who are transitioned from a different service provider shall be treated as new subscribers, and qualify for all terms and conditions agreed upon in the Contract, such as no cost basic equipment, and where possible, allowing them the option of retaining their current equipment for use on Alltel's network.

### **vi. Number Portability Process**

When number portability is requested, Contractor shall assign and provide a work order number to the new customer to enable the customer to check on port request status.

### **vii. Transition Support for Existing Subscribers**

Contractor shall convert all existing Contractor State subscribers to the new contract terms, unless otherwise specified by the ATC.

- a. Contractor must provide the following:
  1. A report of existing State subscribers by department to the State's Program Manager and the respective ATC. This report shall outline the current plan details and cost for each subscriber, and suggest the most appropriate common plan for the transition, recognizing that some subscribers should be optimized.
  2. The converted subscribers must be able to retain their current number (assuming the same area code), and, if possible, their equipment.



### **viii. Transition Costs for Existing Subscribers**

Contractor agrees to make new contract pricing immediately available without imposing any fees (e.g., change fees) for existing subscribers that transition. Contractor shall identify the billing cycle that the new rates and the cycle retroactive adjustments will appear.

## **27. Training**

Contractor agrees to assign a National Account Analyst and dedicated local Business Sales Representatives and Key Account Representatives to provide the State of Michigan comprehensive training on new service/product offerings including functions of cellular devices, new features and service enhancements, as well as billing platforms. The National Account Analyst and the dedicated local Business Sales team will assist with all on-site training and the deployment of handsets.

Contractor will provide a training plan describing the nature and schedule of such training and timing of the training sessions. The training plan shall be mutually agreed to and have the approval of the State's Program Manager prior to the commencement of the training.

Contractor agrees to provide one copy of all training materials to be used by Alltel's trainers to the State. All training materials may be copied without copyright infringement or incurring fees and can be used by the State in any internal training deemed necessary.

## **28. Disengagement Strategies**

- i. Contractor agrees to complete, and timely cooperation in disengaging the relationship in the event that the Contract expires or terminates.
- ii. Contractor agrees to provide pertinent customer information to the awarded Contractor(s) within thirty (30) days following the Contract award in the event of a changeover of service.
- iii. Contractor agrees to provide the awarded Contractor(s) a complete inventory of subscriber phone numbers, owner, responsible agency, equipment types, and features in the event of changeover of service.
- iv. Contractor agrees to assist the State, through customer service, to inform State departments/customers of subsequent-awarded contractor and provide information to State customers as requested by the State's Program Manager, including redirection of State customers as requested by the State of Michigan.
- v. Contractor agrees to cooperate and collaborate for a maximum of six months with the State or the replacement provider and otherwise take all reasonable steps to assist the State in effecting a smooth disengagement upon the expiration or termination of the Contract..
- vi. Contractor agrees not to interrupt the provision of services to the agencies, disable any hardware used to provide Services, or perform any other action that prevents, slows down, or reduces in any way the provision of Services, unless the State agrees that a satisfactory disengagement has occurred.

## **29. Additional Support and Services**

Each National Account customer is assigned a dedicated Account Analyst. The Account Analyst is the Contractor single point-of-contact that corresponds with the State designated point of contact. The Account Analyst maintains an Account Profile, which contains all contract information and a listing of all authorized individuals that may place orders on the State behalf.

The Account Analyst is also the billing specialist and provides a quarterly rate analysis on all lines of service. The Account Analyst is responsible for processing all billing disputes, coordinates escalated issues, and keeps the customer up-to-date on new service and product offerings. The Account Analyst will provide the State with an updated list of equipment and rate plans. The Account Analyst will also provide the State with any demo equipment for testing of coverage and new services for 30 days.

## **1.2 Roles and Responsibilities**

### **1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES**

The duties of the Contract Administrator shall include, but not be limited to:

- i) Supporting the management of the Contract,





- ii) Facilitating dispute resolution, and
- iii) Advising the State of performance under the terms and conditions of the Contract. The State reserves the right to require a change in the current Contract Administrator if the assigned Contract Administrator is not, in the opinion of the State, adequately serving the needs of the State.

Contractor shall designate and maintain, at a minimum, a primary and secondary customer service representative (CSR), identified as a Key Personnel, (not the standard customer service support offered to the public) for the State's Designated Program Manager and each Agency/Department.

1. State's Designated Program Manager may request a substitute CSR if the person assigned is unsatisfactory, as determined by the State.
2. This representative must be present at all regularly scheduled quarterly Joint Operations Meeting meetings related to the Contract and will be responsible for the following:
  - a. Coordinating all orders for awarded services and hardware
  - b. Coordinating all invoicing/summary billing inquiries
  - c. Coordinating responses to all concerns related to service or hardware
  - d. Activating and terminating services
  - e. Making changes to accounts
  - f. Assisting in problem resolution
3. Specify how many customer service representatives will be assigned to the State of Michigan, and their enterprise/government account experience. (For example, by region, by agency, etc...)
4. At least one Customer Service Representative will be available during the State's operating hours.
5. All service representatives will have on-line access to information to provide immediate response to inquiries concerning the status of orders and requests for maintenance services.
6. Representatives will be available by phone, fax, or email (local and toll-free number preferred).

Contractor will provide a Project Manager, identified as a Key Personnel, to work closely with the designated personnel from the State to insure a smooth transition to the services. The Project Manager will coordinate all of the activities of the Contractor personnel assigned to the project and create all reports required by State. Alltel's project manager responsibilities include, at a minimum:

- Manage all defined Contractor responsibilities in this Scope of Services.
- Manage Alltel's sub-contractors , if any
- Develop the transition/implementation plan and schedule, and update as needed
- Serve as the point person for all transition/implementation issues
- Assess and report on services
- Escalate issues, risks, and other concerns
- Proactively propose/suggest options and alternatives for consideration
- Monitoring billing for accuracy

## **1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES**

The Michigan Dept. of Information Technology, Telecommunications Division is responsible for the administration of the services within the contract. MDIT shall provide a Program Manager. The MDIT Program Manager will serve as a contact for all issues pertaining to the execution of services under the contract. The State's Program Manager will provide the following services:

- Provide State facilities, as needed
- Coordinate the State resources necessary for the project
- Facilitate coordination between various external contractors.
- Facilitate communication between different State departments/divisions
- Escalation of outstanding/high priority issues
- Conducting regular and ongoing review of the services
- Documentation and archiving of all reports
- Arrange, schedule and facilitate State staff attendance at all project meetings



### **1.203 OTHER ROLES AND RESPONSIBILITIES**

The State Agency Telecommunication Coordinators may provide additional information and requirements needed for reporting and ordering of equipment and services.

## **1.3 Project Plan**

### **PROJECT PLAN MANAGEMENT**

Contractor agrees to the following:

#### **1. Orientation Meeting**

- a. Upon execution of the Contract, Contractor will be required to attend an orientation meeting to discuss the content and procedures of the Contract.
- b. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to MDIT and Alltel.
- c. MDIT shall bear no cost for the time and travel of Contractor for attendance at the meeting.

#### **2. Performance Review Meetings**

- a. MDIT will require Contractor to attend periodic meetings to review Alltel's performance under the Contract.
- b. The meetings will be held in Lansing, Michigan, or by teleconference, at a date and time mutually acceptable to MDIT and Alltel.
- c. MDIT shall bear no cost for the time and travel of Contractor for attendance at the meeting.

### **1.302 REPORTS**

Contractor will work with MDIT and MDMB to develop and deliver any additional reports that may be requested both for the State and the MDIT and MDMB agencies individually.

## **1.4 Project Management**

### **1.401 ISSUE MANAGEMENT**

Contractor will assign a National Account Analyst to the State. The Analyst will be responsible for creating and maintaining an issue log for issues relating to the provision of services under this contract. The issue management log will be communicated to the State's Program Manager on an agreed upon schedule with email notifications and updates. The issue log will be updated and will contain the following: description of issue, issue identification date, responsibility for resolving issue, priority for issue resolution, resources assigned responsibility for resolution, resolution date and resolution description.

### **1.402 RISK MANAGEMENT**

It is the responsibility of Alltel's National Account Analyst to monitor network performance, technological impacts and product offerings that may affect the State and its contract with Alltel. The National Account Analyst will communicate any risks and the options for managing those risks to the State's Program Manager.

### **1.403 CHANGE MANAGEMENT**

Contractor agrees to comply with the following:

Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract. **See section 2.100 for details.**

If a proposed contract change is approved by the Agency, the Contract Administrator will submit a request for change to the Department of Management and Budget, Purchasing Operations Buyer, who will make recommendations to the Director of Purchasing Operations regarding ultimate approval/disapproval of change request. If the DMB Purchasing Operations Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the Purchasing Operations Buyer will issue an addendum to the Contract, via a Contract Change Notice. If Contractor provides products or services prior to the issuance of a Contract Change Notice by the DMB Office of Purchasing Operations, Contractor risks non-payment for the out-of-scope/pricing products and/or services.



## 1.5 Acceptance

### 1.501 CRITERIA

Contractor agrees to comply with the following:

The State will consider equipment accepted when delivery of the equipment is made to the specified delivery address, AND; complete packing slips with applicable serial numbers are provided to the State. Contractor will not invoice for equipment, and the State will not authorize payment of invoices, until both of the above conditions have been met. Where direct shipment or delivery of equipment to State agency sites are a requirement of the purchase order, Contractor is responsible to ensure that a copy of the signed receiving documents are forwarded to MDIT before payment will be authorized. Equipment discovered to be defective or failing to conform to the specifications may be rejected upon initial inspection or at any later time if the defects contained in the equipment or non-compliance with the specifications was not reasonably ascertainable upon initial inspection.

Acceptance of services is tied to adequate performance of the required Services.

### 1.502 FINAL ACCEPTANCE

Contractor agrees that Final Acceptance is tied to adequate performance of required Services and delivery of equipment meeting the requirements of this SOW.

## 1.6 Compensation and Payment

### 1.601 COMPENSATION AND PAYMENT

#### A. Pricing Overview

Contractor is pleased to offer the State of Michigan three options to help solve any pricing scenario that the State may incur; a Flat Rate, the new Multi-Access Pooling plans, and the existing State of Michigan custom plans. Depending on the option chosen, Contractor has either built-in volume discounts or access discounts extended.

See pricing section

#### B. General Pricing Requirements

1. **See Exhibits C** – Pricing Overview for all prices, discounts, and details on the rate plans for the State.
2. Contractor has carefully analyzed the usage and rate plans that the State of Michigan currently has with this carrier, and in turn, crafted the three-tiered pricing offer; for more information.
3. Contractor is required to charge fees based on the current regulations in place.
4. The normal fees and charges are the USF fee and the 911 surcharge.
5. Contractor will waive both activation and early termination/cancellation fees or other miscellaneous charges.
6. Contractor is offering discounts on all of the handsets that are offered to the State (see the Appendix, which details the Equipment and its pricing).
7. Current discounts will be honored on all plans that the State has with Contractor at the time of the Contract award.
8. Contractor will extend its Anytime Rate Plan changes, for those plans that are eligible, as detailed in its current policy and procedures.
9. Contractor will setup the State of Michigan on its Affinity Program, which gives the State of Michigan employees the ability to receive discounts on both eligible rate plans and equipment.
10. Contractor will keep the State of Michigan informed of new changes to pricing and equipment that may arise and become addendums to this Contract.

#### C. For cellular voice services

Contractor currently offers the State of Michigan three pricing options; a Flat Rate, the new Multi-Access Pooling plans, and the existing State of Michigan custom plans. Please see **Exhibits C** for all the details included in this Contract. Contractor understands that the State is tax exempt and will act accordingly in reference to these charges

**D. For Push-to-Talk services**

Contractor currently offers the State of Michigan our Touch to Talk service. For those plans that are eligible, Contractor currently offers it's unlimited T2T (Touch to Talk) feature for no charge.

Contractor currently has two T2T capable handsets the Kyocera KX-12 and the LG ax390, both of which are being offered to the State of Michigan for no charge, on all eligible rate plans. As new T2T capable handsets are launched, Contractor will determine and communicate their availability and price to the State of Michigan on a timely basis.

**E. For PC Data Cards**

Contractor currently offers the State of Michigan discounted rates for PC Data cards and service.

**F. Payment**

Contractor will submit properly itemized invoices to authorized agent for each department named within the order.

**G. Invoicing and Payment****1. Format of Service Invoicing**

Contractor offers two billing options to The State of Michigan. These options include:

- Paper bill

The paper bill is the traditional form of billing where the specified point of contact for The State of Michigan will receive the bill and remit payment from this invoice. This bill includes an itemized statement of services including but not limited to the name, telephone number, department and/or agency.

- Business-to-Business Solution (B2B)

Alltel's Business-to-Business solution or B2B, allows The State of Michigan the ability to generate wireless usage and expenditure reports that can be downloaded into Microsoft Office applications.

In addition, the Account Analyst may create a customized hierarchy to fit the needs of The State of Michigan. The State of Michigan will also have the ability to change the customized hierarchy.

The State of Michigan will be provided a login and password in which the point of contact becomes a Master User and may access all records. The Master User at The State of Michigan will have the ability to assign a variety of roles to additional users as needed. This role will allow the user to see only the items the Master User deems appropriate.

This billing format contains numerous standard reports that may be downloaded into csv or pdf formats. These reports may also be customized to provide additional information and may be scheduled to run at a specific time and will be generated automatically.

Contractor invoices cannot be provided in ASCII format at this time

**2. Service Invoice Requirements**

Contractor will provide the ability for the State's Program Manager and ATCs to invoice accounts separately, or by grouping specified accounts into a master/parent invoice.

**3. Individual Account Service Invoicing**

Contractor will credit any charges applied in error to the State account(s).

Contractor will provide a monthly invoice to the State with the bill cycle set to the first of each month. All National Account customers receive a common bill cycle on the first of each month.

Contractor will work with individual agencies that may require different or additional elements to meet departmental guidelines.

Each invoice contains the following information: Alltel's name address and telephone number, invoice period/invoice date, Alltel's remittance address, account number, subscriber name and number, itemized charges (i.e. monthly service, feature, airtime, long distance, roaming,



taxes/fees, and data usage), itemized usage (i.e. plan minutes used, overage minutes used, text messages sent and received, etc.), adjustments, total service charges, total charges, and appropriate State percentage discount.

#### **4. Format of Equipment Invoicing**

Contractor will provide equipment invoices in hardcopy (paper) and/or electronic format.

#### **5. Equipment Invoice Requirements**

Contractor agrees to provide equipment invoices within thirty (30) days of ordered equipment. Equipment invoices will contain only equipment ordered by the ATC or State and will be separate from the service invoice. Each invoice will contain the following items:

- i. Contract Number
- ii. Contractor Name
- iii. Vendor's Remittance Address
- iv. Agency Order Number/Purchase Order #
- v. Contractor Order Number
- vi. Agency Billing Code
- vii. Cost Center
- viii. Account Number
- ix. Order Date
- x. Unit Product Details – Manufacturer, model number, description, etc.
- xi. Product Cost Details – A detailed breakdown of product cost by line-item: product published cost, product discount, product cost to State, etc.
- xii. A separate line-item for tax and delivery charges
- xiii. Quantity
- xiv. Person Placing Order
- xv. Method of Ordering
- xvi. Ship to Address
- xvii. Additional information required by the State

#### **6. Credit Card**

Contractor agrees to accept credit card purchases from an ATC and will provide a sales receipt itemizing the order.

#### **7. Invoice Recordkeeping**

Contractor will maintain detailed records pertaining to the cost of services rendered and products delivered for a period of three (3) years from the date of acceptance of each purchase order. These records will be located at Alltel's corporate office in Little Rock, Arkansas. Contractor understands these records shall be subject to inspection by the purchasing entity and appropriate governmental authorities. Contractor understands purchasing entity shall have the right to audit billings. Contractor understands payment under this agreement shall not negate the right of the purchasing entity to recover excessive or illegal payments.

#### **8. Service Credits**

Credits to the agencies/subscribers will be provided by the National Account Analyst and will appear on the next monthly invoice as a separate line item. The Account Analyst will also instruct the purchasing entity to deduct the credit amount from the current invoice.

#### **9. Equipment Credits**

Contractor will provide a credit memo to the ATC and the Program Manager when credits are issued for equipment. This credit memo will include the following: credit data of issue, subscriber/account number, invoice date, reason for credit and amount of credit issued.

**10. Rebates**

Contractor will apply all rebates to the State as credits immediately.

**11. Invoicing Dispute Resolution**

- i. Contractor will respond to invoicing disputes within 3 days of notice and provide a plan for resolution within 5 days of notice to the State's Designated Contract Administrator and/or ATCs.
- ii. The Contractor will also provide status updates on resolution as requested.

**H. Other Pricing**

- a. Price Protection - All materials, supplies, and services ordered by and / or provided to the State shall be price protected and considered maximum at the established net prices referenced in Alltel's submittal response throughout the Contract period as noted. Additional discounts offered by Contractor for materials and services during the term of the Contract will be accepted.
- b. Pricing Review
  - i. Contractor agrees to meet with the State's Program Manager a minimum of every six (6) months to determine in good faith whether (and, if so, what) downward changes to the rates and charges and related terms are appropriate in light of then-current alternatives and pricing available in the competitive, full marketplace for wireless equipment and services. The intent of the meeting is that the pricing for the equipment and services, is adjusted throughout the term to maintain the original discount offered to the then prevailing available full market pricing.
  - ii. The duration of the review shall last no more than thirty (30) calendar days.
  - iii. If the parties reach agreement to reduce pricing based upon that review, an Agreement amendment that shall be signed by both parties and processed in accordance with Section 1.403, Change Management.

**I. Technology Refresh and Market Rate Changes**

- a. During the term of the Contract, it may be necessary to refresh technology to adjust to major industry changes and significant new technology advancements. If the telecommunications industry experiences a technological breakthrough rendering products or services proposed herein ineffective or obsolete, the State and Contractor agree to jointly review technological advances pertaining to the products and services included in this Contract and mutually agree to amend the terms and conditions of the original agreement as deemed necessary by both parties, following the Change Management process of Section 1.403.
- b. During the term of the Contract, the telecommunications industry rates may decrease for services included in this Contract. In this event, Contractor will decrease the rates whereby they are consistent with the original discounts. Contractor will adjust rates downward to ensure that the State receives the lowest pricing that Contractor has offered to any other customer.
- c. As a part of any meeting that the State of Michigan's Program Manager and Contractor have, there will be a discussion of the technology refresh and market rate changes, and resulting discussion can be analyzed for any changes that might need to be made at that time.

**J. Volume Discounts**

- a. During the term of the contract, the volume of products and/or services may increase from the initial volume statistics used to determine the original rates quoted in this Contract. Contractor will provide rates associated with a larger purchase volume in the event the State's aggregate volume increases during the term of the contract. Contractor will agree to renegotiate the volume of minutes and/or phones included if the volume significantly impacts contract pricing.
- b. Volume discounts will also be reviewed and potentially renegotiated every six months as a part of the regularly scheduled quarterly Joint Operations meetings.

**1.7 Additional Terms and Conditions**



**1.701 ADDITIONAL TERMS AND CONDITIONS****1. Reservation of Selection of IT Product Standards:**

MDIT reserves the right to consider all products proposed by Contractor and accepted by the State as part of Contractor's contract as a potential State IT Product Standard and may at its discretion ratify said products as IT Standards for the State of Michigan.



## Appendix A List of Michigan Counties

### Michigan Counties List

1 Alcona	50 Macomb
2 Alger	51 Manistee
3 Allegan	52 Marquette
4 Alpena	53 Mason
5 Antrim	54 Mecosta
6 Arenac	55 Menominee
7 Baraga	56 Midland
8 Barry	57 Missaukee
9 Bay	58 Monroe
10 Benzie	59 Montcalm
11 Berrien	60 Montmorency
12 Branch	61 Muskegon
13 Calhoun	62 Newaygo
14 Cass	63 Oakland
15 Charlevoix	64 Oceana
16 Cheboygan	65 Ogemaw
17 Chippewa	66 Ontonagon
18 Clare	67 Osceola
19 Clinton	68 Oscoda
20 Crawford	69 Otsego
21 Delta	70 Ottawa
22 Dickinson	71 Presque Isle
23 Eaton	72 Roscommon
24 Emmet	73 Saginaw
25 Genesee	74 Sanilac
26 Gladwin	75 Schoolcraft
27 Gogebic	76 Shiawassee
28 Grand Traverse	77 St. Clair
29 Gratiot	78 St. Joseph
30 Hillsdale	79 Tuscola
31 Houghton	80 Van Buren
32 Huron	81 Washtenaw
33 Ingham	82 Wayne
34 Ionia	83 Wexford
35 Iosco	
36 Iron	
37 Isabella	
38 Jackson	
39 Kalamazoo	
40 Kalkaska	
41 Kent	
42 Keweenaw	
43 Lake	
44 Lapeer	
45 Leelanau	
46 Lenawee	
47 Livingston	
48 Luce	
49 Mackinac	

## **Appendix B**

### **Glossary of Terms**

The following words and phrases, when used in the RFP or the Contract, shall have the indicated meanings. (Terms capitalized within a particular definition are defined elsewhere within the RFP or the Contract.)

**"AFFILIATE"** shall mean any entity, employees, directors, partners, joint venture participants, parent corporations, subsidiaries, or any other person that, directly or indirectly, controls, is controlled by, or is under common control with Contractor or Qualified Provider, whether through ownership of more than fifty (50%) of the voting securities, by contract, managing authority or otherwise.

**"AGENCY"** or (**"AGENCIES"**) shall mean a tax supported public entity (or entities) empowered to expend public funds to purchase Deliverables and Services from the Contract.

**"AGREEMENT"** shall have the same meaning as "Contract" and the terms shall be used interchangeably.

**"AMPS"** shall mean Advanced Mobile Phone Service.

**"ANSI"** shall mean American National Standards Institute.

**"ATC"** shall mean the State's designated Agency Telecom Coordinator(s).

**"BID"** shall mean an offer made in response to the RFP to perform a contract for work and labor describer in the RFP in accordance with the terms and conditions provided in the Contract.

**"BIDDER"** shall mean a supplier who submits a Bid to the State in response to the RFP.

**"BUSINESS DAY"** shall mean 8:00 a.m. to 5:00 p.m. Eastern Standard Time, Monday through Friday, excluding State holidays.

**"CD"** shall mean Compact Disc.

**"COMMERCIAL SOFTWARE"** shall mean Software developed or regularly used that: (i) has been sold, leased, or licensed to the general public; (ii) has been offered for sale, lease or license to the general public; (iii) has not been offered, sold, leased, or licensed to the general public but will be available for commercial sale, lease, or license in time to satisfy the delivery requirements of the contract; or (iv) satisfies a criterion expressed in (i), (ii) or (iii) above and would require only minor modifications to meet the requirements of the Contract.

**"CONTRACT"** shall mean the State of Michigan Standard Agreement, the SOW and the Proposal, together with all attachments thereto (including General Provisions), documents incorporated therein by reference, and all regulatory filings made pursuant thereto for the applicable Services. The term "Contract" shall have the same meaning as "Agreement" and the term shall be used interchangeably.

**"Contractor"** shall mean the entity which responded to the RFP and all of its Affiliates providing Deliverables and/or Services under the applicable Contract.

**"CONVERGED SERVICES"** shall mean voice, video, and data services that run over a converged network. Includes advanced data and information services and application such as IP-based voice, integrated messaging, advanced data and information services and applications such as IP-based voice, integrated messaging, web-based conference calling, voice enabled instant messaging, Enhanced Class features – features that enhance productivity and performance such as selective call waiting, group ring, and find-me, follow-me etc.



**“CONVERGENCE”** shall mean the definition of network architecture that allows for voice, video, and data communications to run over a single (converged) network.

**“CPE”** or **“CUSTOMER PREMISE EQUIPMENT”** shall mean customer owned telecommunications Equipment located at a customer location.

**“CUSTOMER”** shall mean an Agency that is purchasing goods and services from the Contract.

**“DATA PROCESSING SYSTEM (SYSTEM)”** shall mean the total complement of Alltel-furnished Machines, including one or more central processors (or instruction processors) and Operating Software, which are acquired to operate as an integrated group.

**“db”** shall mean decibel.

**“DELIVERABLES”** shall mean the Goods, Software, Information Technology, telecommunications technology and other items (e.g. reports) to be delivered pursuant to the applicable Contract, including any such items furnished incident to the provision of Services.

**“DELIVERY DATES”** shall mean the dates specified by the State for the delivery by Contractor or Qualified Provider of certain Deliverables or Services.

**“DESIRABLE ITEMS”** shall mean attributes or conditions in the RFP that are defined by the words “should” or “may”.

**“DOCUMENTATION”** shall mean nonproprietary manuals and other printed materials necessary or useful to the State in its use or maintenance of the Equipment or Software provided hereunder. Manuals and other printed materials customized for the State hereunder constitute Documentation only to the extent that such materials are described in or required by the Statement of Work.

**“DVD”** shall mean Digital Video Disc.

**“EFFECTIVE DATE”** shall mean the later date on which the Contract has been both executed by Contractor or Qualified Provider and has been executed and approved by the State in accordance with the terms therein.

**“END-USER”** shall mean an individual within an Agency that is utilizing the feature or service provided under the Contract.

**“END TO END SERVICE”** shall mean the Contractor is responsible for providing Service(s) on a statewide basis, whether provided by Contractor or subAlltels.

**“EQUIPMENT”** is an all-inclusive term, which refers either to individual Machines or to a complete Data Processing System or subsystem, including its Hardware and Operating Software (if any).

**“EQUIPMENT FAILURES”** shall mean a malfunction in the Equipment, excluding all external factors, which prevents the accomplishment of the Equipment’s intended function(s). If microcode or Operating Software residing in the Equipment is necessary for the proper operation of the Equipment, a failure of such microcode or Operating Software which prevents the accomplishment of the Equipment’s intended functions shall be deemed to be an Equipment failure.

**“E911”** shall mean the wireless Enhanced 911 (E911) FCC rules which seek to improve the effectiveness and reliability of wireless 911 service by providing 911 dispatchers with additional information on wireless 911 calls.

**“FCC”** shall mean the Federal Communications Commission.

**“FOC”** shall mean Final Operating Capability.



**“GOODS”** shall mean all types of tangible personal property, including but not limited to materials, supplies, and Equipment (including computer and telecommunications Equipment).

**“GPS”** shall mean Global Positioning System.

**“HARDWARE”** usually refers to computer Equipment and is contrasted with Software. See also Equipment.

**“IMS”** shall mean Instant Messaging Service.

**“IT”** or **“INFORMATION TECHNOLOGY”** shall mean all electronic technology systems and services, automated information handling, System design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications which include voice, video, and data communications, requisite System controls, simulation, electronic commerce, and all related interactions between people and Machines.

**“LEGISLATURE”** shall mean the Michigan State Legislature.

**“MACHINE”** shall mean an individual unit of Data Processing System or subsystem, separately identified by a type and/or model number, comprised of but not limited to mechanical, electro-mechanical, and electronic parts, microcode, and special features installed thereon and including any necessary Software, e.g., central processing unit, memory module, tape unit, card reader, etc.

**“MATERIAL DEVIATION”** shall mean a deviation from a requirement that is not in substantial accord with the RFP Requirements, provides an advantage to one Bidder over other Bidders, or has a potentially significant effect on the delivery, quantity or quality of items proposed, amount paid to the Bidder, or for the cost to the State.

**“MDIT”** shall mean the Michigan Department of Information Technology.

**“MDMB”** shall mean the Michigan Department of Management and Budget.

**“MIGRATION”** or **“MIGRATE”** shall mean all tasks, Deliverables and activities related to or necessary for the migration of the provision of Services pursuant to the Contracts for Services.

**“MPSC”** shall mean the Michigan Public Service Commission.

**“NCRP”** shall mean National Council on Radiation Protection and Measurements.

**“NCS”** shall mean the National Communications System.

**“NOTICE OF TERMINATION”** shall mean a written notice of termination from the State to Contractor or Qualified Provider pursuant to the Contract.

**“OPERATING SOFTWARE”** shall mean those routines, whether or not identified as Program Products, that reside in the Equipment and are required for the Equipment to perform its intended function(s), and which interface the operator, other Alltel-supplied programs, and user programs to the Equipment.

**“PBX”** shall mean Private Branch Exchange.

**“PDA”** shall mean Personal Digital Assistant device.

**“PERFORMANCE TESTING PERIOD”** shall mean a period of time during which the State, by appropriate tests and production runs, evaluates the performance of newly installed Equipment and Software prior to its acceptance by the State.



**“PIM”** shall mean Personal Information Management.

**“PMM”** shall mean the State’s Project Management Methodology.

**“POP3”** shall mean Post Office Protocol Version 3.

**“PSAP”** shall mean Public Safety Answering Point.

**“PTT”** shall mean the Push To Talk functionality of a wireless device.

**“QUALIFIED PROVIDER”** shall mean the entity identified in the introductory paragraph to the General Provisions and all of its Affiliates providing Deliverables and/or Services under applicable Contract.

**“REQUIREMENT”** shall mean the technical and administrative performance and delivery Requirements established by the State throughout the RFP.

**“RIM”** shall mean Research In Motion, the current Blackberry device manufacturer.

**“RFP”** shall mean Request For Proposal as defined in Section 1 of the Scope of Work.

**“SEALED PROPOSAL”** shall mean a Proposal that is contained/wrapped/boxed in such a manner that no part of the Proposal is revealed.

**“SERVICES”** shall mean, collectively, the services, functions and responsibilities described in the Contract as they may be supplemented, enhanced, modified or replaced during the Term in accordance with the Contract, including any Enhancements approved by the State.

**“SME”** shall mean Subject Matter Expert.

**“SOFTWARE”** is an all-inclusive term which refers to any computer programs, routines, or subroutines supplied by the Alltel, including Operating Software, programming aids, application programs, and program products.

**“SOW”** shall mean Statement Of Work.

**“STANDARDS”** shall mean the State defining business standards as well as industry defined and accepted standards for communications published by recognized organizations such as IEEE, IETF, ITU, ANSI, TIA/EIA, etc.

**“STATE”** shall mean MDMB/MDIT, or as MDMB/MDIT may designate, in its sole discretion, any other department, division, or unit of the State of Michigan, any agency or governmental entity of the State of Michigan or any local jurisdiction within the State of Michigan empowered to expend public funds, and their end-users, intended to receive the benefit of the Services.

**“STATEMENT OF WORK”** is Article 1 and any additional statements of work entered into by the State and Contractor pursuant to this Contract.

**“SUPPLIER”** shall mean a business entity, Bidder, offeror, vendor, Alltel, or Qualified Provider.

**“SYSTEM”** shall mean the complete collection of Hardware, Software and Services as described in this Contract, integrated and functioning together, and performing in accordance with this Contract.

**“TAP”** shall mean Telocator Alphanumeric Protocol.

**“TERM”** shall have the meaning given it in Section xx.





**“UNIFIED MESSAGING”** shall mean access to e-mail, voice mail and faxes by a common interface by computer or by telephone. The end user can access these messages from a variety of devices – PCs, Telephones, PDAs, etc.

**“USF”** shall mean Universal Service Fund.

**“VoIP”** shall mean Voice Over Internet Protocol.

**“Wi-Fi”** shall mean a brand originally licensed by the Wi-Fi Alliance to describe the embedded technology of wireless local area networks (WLAN) based on the IEEE 802.11 specifications. Wi-Fi was developed to be used for mobile computing devices, such as laptops in Local Area Networks, but is now increasingly used for more services, including Internet and VoIP phone access, gaming, and basic connectivity of consumer electronics such as televisions, DVD players, and digital cameras. More standards are in development that will allow Wi-Fi to be used by cars on highways in support of an Intelligent Transportation System to increase safety, gather statistics, and enable mobile commerce

**“WiMAX”** shall mean **W**orldwide **I**nteroperability for **M**icrowave **A**ccess as defined by the WiMAX Forum, formed in June 2001 to promote conformance and interoperability of the IEEE 802.16 standard. WiMAX aims to provide wireless data over long distances, in a variety of different ways, from point to point links to full mobile cellular type access. The Forum describes WiMAX as "a standards-based technology enabling the delivery of last mile wireless broadband access as an alternative to cable and DSL".

**“2G”** shall mean second generation wireless technology. The main differentiator to previous mobile telephone systems, retrospectively dubbed 1G, is that the radio signals that 1G networks use are analog, while 2G networks are digital.

**“3G”** shall mean third generation wireless technology. The services associated with 3G provide the ability to transfer simultaneously both voice data (a telephone call) and non-voice data (such as downloading information, exchanging email, and Instant Messaging Service).

**“4G”** shall mean fourth generation wireless technology for which a standards and features are not yet fully defined. 4G is not just one defined technology or standard, but rather a collection of technologies and protocols to enable the highest throughput, lowest cost wireless network possible. The Wireless World Research Forum (WWRF) defines 4G as a network that operates on Internet technology, combines it with other applications and technologies such as Wi-Fi and WiMAX, and runs at speeds ranging from 100 Mbps (in cell-phone networks) to 1 Gbps (in local Wi-Fi networks). <http://en.wikipedia.org/wiki/4G> - [note-whatis4g# note-whatis4g](#)



## Article 2 – General Terms and Conditions

### 2.010 Contract Structure and Administration

#### 2.011 Definitions

Capitalized terms used in this Contract (including its Exhibits) shall have the meanings given below, unless the context requires otherwise:

- (a) “Days” means calendar days unless otherwise specified.
- (b) “24x7x365” means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
- (c) “Additional Service” means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration. “Additional Service” does not include New Work.
- (d) “Amendment Labor Rates” (Reserved)
- (e) “Audit Period” has the meaning given in **Section 2.111**.
- (f) “Business Day,” whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
- (g) “Incident” means any interruption in Services.
- (h) “Business Critical” means any function identified in any Statement of Work as Business Critical.
- (i) “Deliverable” means physical goods and/or commodities as required or identified by a Statement of Work
- (j) “Key Personnel” means any Personnel designated in **Article 1, Section 1.201 and/or Attachment B**, as Key Personnel.
- (k) “New Work” means any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, that once added will result in the need to provide the contractor with additional consideration. “New Work” does not include Additional Service.
- (l) “Services” means any function performed for the benefit of the State.
- (m) “State Location” means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
- (n) “Subcontractor” means a company Contractor delegates performance of a portion of the Services to, but does not include independent Contractor’s engaged by solely in a staff augmentation role.
- (o) “Work in Process” means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.

#### 2.012 Attachments, Appendices and Exhibits

All Attachments, Appendices and/or Exhibits attached to any, and all Statement(s) of Work, attached to, or referencing this Contract, are incorporated in their entirety into, and form part of, this Contract.

#### 2.013 Statements of Work

- (a) The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract, or an amendment to this Contract (see 2.106). Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.
- (b) Unless otherwise agreed by the parties, each Statement of Work (as defined in Article 1) will include, or incorporate by reference to the appropriate Contract Article 1 Attachment containing, the following information:
  - a description of the Services to be performed by Contractor under the Statement of Work;
  - a project schedule (including the commencement and completion dates for all tasks, subtasks (for all projects of sufficient duration and complexity to warrant sub task breakdown), and Deliverables;
  - a list of the Deliverables to be provided, if any, including any particular specifications and acceptance criteria for such Deliverables, and the dates on which the Deliverables are scheduled to be completed and delivered to the State;



- all Deliverable price schedules and other charges associated with the Statement of Work, the overall fixed price for such Statement of Work and any other appropriate pricing and payment terms;
- a specification of contractor's and the State's respective performance responsibilities with respect to the performance or completion of all tasks, subtasks and Deliverables;
- a listing of any Key Personnel of Contractor and/or its Subcontractors' for that Statement of Work and any future Statements of Work;
- any other information or provisions the parties agree to include.

(c) Reserved.

(d) The initial Statements of Work, as of the Effective Date, are attached to this Contract.

#### **2.014 Issuing Office**

This Contract is issued by the Department of Management and Budget, Office of Purchasing Operations and the Department of Information Technology (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. **Purchasing Operations is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contractor Administrator within the Office of Purchasing Operations for this Contract is:

##### **Douglas Collier**

Office of Purchasing Operations  
Department of Management and Budget  
Mason Bldg, 2nd Floor  
PO Box 30026  
Lansing, MI 48909  
Collierd1@michigan.gov  
517-335-4804

#### **2.015 Contract Compliance Inspector**

Upon receipt at PURCHASING OPERATIONS of the properly executed Contract, it is anticipated that the Director of DMB Purchasing Operations, in consultation with the Department of Information Technology will direct that the person named below, or any other person so designated, be authorized to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of this Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of such Contract as that authority is retained by the Office of Purchasing Operations.** The Contract Compliance Inspector for this Contract is:

##### **Michael Breen**

Department of Information Technology  
Constitution Hall, 1st Floor N Tower  
Lansing, MI 48909  
breenm@michigan.gov  
(517) 241-7720

#### **2.016 Project Manager**

The following individual will oversee the project:

##### **Steve McMahon**

Michigan Dept. of Information Technology – Telecommunications  
608 W. Allegan  
Lansing, MI 48913  
Phone: 517-373-6353  
E-mail: mcmahons@michigan.gov

#### **2.020 Contract Objectives/Scope/Background**

**2.021 Background**

See Article 1

**2.022 Purpose**

See Article 1

**2.023 Objectives and Scope**

See Article 1

**2.024 Interpretation**

Sections 2.021 through 2.023 are intended to provide background and context for this Contract and are not intended to expand the scope of the obligations under this Contract or to alter the plain meaning of the terms and conditions of this Contract. However, to the extent the terms and conditions of this Contract are unclear or otherwise ambiguous, such terms and conditions are to be interpreted and construed in light of the provisions of this Section.

**2.025 Form, Function and Utility**

If the Contract is for use of more than one State agency and if the Deliverable/Service does not meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

**2.030 Legal Effect and Term****2.031 Legal Effect**

Except as otherwise agreed in writing by the parties, the State assumes no liability for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against the Contract has been issued.

**2.032 Contract Term**

This Contract is for a period of two (2) years commencing on the date that the last signature required to make the Contract enforceable is obtained. All outstanding Purchase Orders shall also expire upon the termination (cancellation for any of the reasons listed in 2.210) of the Contract, unless otherwise extended pursuant to the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, will remain in effect for the balance of the fiscal year for which they were issued.

**2.033 Renewal(s)**

This Contract may be renewed in writing by mutual agreement of the parties not less than thirty (30) days before its expiration. The Contract may be renewed for up to three (3) additional one (1) year periods. Successful completion of negotiations surrounding the terms of the extension, will be a pre-requisite for the exercise of any option year.

**2.040 Contractor Personnel****2.041 Contractor Personnel**

(a) Personnel Qualifications. All persons assigned by Contractor to the performance of Services under this Contract shall be employees of Contractor or its majority-owned (directly or indirectly, at any tier) subsidiaries (or a State-approved Sub Contractor) and shall be fully qualified to perform the work assigned to them. Contractor shall include a similar provision in any subcontract entered into with a Sub Contractor. For the purposes of this Contract, independent Contractor's engaged by Contractor solely in a staff augmentation role shall be treated by the State as if they were employees of Contractor for this Contract only; however, the State understands that the relationship between Contractor and Sub Contractor is an independent Contractor relationship.



(b) Key Personnel

(i) In discharging its obligations under this Contract, Contractor shall provide the named Key Personnel on the terms indicated. **Exhibit B** provides an organization chart showing the roles of certain Key Personnel, if any.

(ii) Key Personnel shall be dedicated as defined in **Exhibit B** to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.

(iii) The State will have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, will introduce the individual to the appropriate State representatives, and will provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. Additionally, the State's request shall be based on legitimate, good-faith reasons. Proposed alternative for the individual denied, shall be fully qualified for the position.

(iv) Contractor shall not remove any Key Personnel from their assigned roles or the Contract without the prior written consent of the State. If the Contractor does remove Key Personnel without the prior written consent of the State, it shall be considered an unauthorized removal ("Unauthorized Removal"). It shall not be considered an Unauthorized Removal if Key Personnel must be replaced for reasons beyond the reasonable control of Alltel, including illness, disability, leave of absence, personal emergency circumstances, resignation or for cause termination of the Key Personnel's employment. It shall not be considered an Unauthorized Removal if Key Personnel must be replaced because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides thirty (30) days of shadowing unless parties agree to a different time period. The Contractor with the State shall review any Key Personnel replacements, and appropriate transition planning will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its rights under **Section 2.210**.

(v) It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 2.210**, the State may assess liquidated damages against Contractor as specified below.

For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the liquidated damages amount shall be \$25,000.00 per individual provided Contractor identifies a replacement approved by the State pursuant to **Section 2.041** and assigns the replacement to the Project to shadow the Key Personnel s/he is replacing for a period of at least thirty (30) days prior to such Key Personnel's removal.

If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least thirty (30) days, in addition to the \$25,000.00 liquidated damages for an Unauthorized Removal, Contractor shall pay the amount of \$833.33 per day for each day of the thirty (30) day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total liquidated damages that may be assessed per Unauthorized Removal and failure to provide thirty (30) days of shadowing shall not exceed \$50,000.00 per individual.

(c) Re-assignment of non-Key Personnel. Prior to re-deploying to other projects, at the completion of their assigned tasks on the Project, teams of its non-Key Personnel who are performing Services on-site at State facilities or who are otherwise dedicated primarily to the Project, Contractor will give the State at least ten (10) Business Days notice of the proposed re-deployment to give the State an opportunity to object to the re-





deployment if the State reasonably believes such team's Contract responsibilities are not likely to be completed and approved by the State prior to the proposed date of re-deployment.

(d) Re-assignment of Personnel at the State's Request. The State reserves the right to require the removal from the Project of Contractor personnel found, in the judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement personnel for the removed person shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with removed personnel results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service will not be counted in **Section 2.076** for a time as agreed to by the parties.

(e) Staffing Levels.

(i) All staff requirements not specified in the applicable Statement of Work or State-approved project plan as State personnel will be supplied by Alltel. This includes secretarial, clerical and Contract administration support staff necessary for Contractor to perform its obligations hereunder.

(ii) Contractor shall provide sufficient personnel resources for the completion of Contract tasks indicated in contractor's project plan approved by the State. If the level of personnel resources is insufficient to complete any Contractor Contract tasks in accordance with the Contract time schedule as demonstrated by contractor's failure to meet mutually agreed to time schedules, Contractor shall promptly add additional qualified personnel resources to the performance of the affected tasks, at no additional charge to the State, in an amount sufficient to complete performance of contractor's tasks in accordance with the Contract time schedule.

(f) Personnel Turnover. The Parties agree that it is in their best interests to keep the turnover rate of employees of Contractor and its Sub Contractor's who are performing the Services to a reasonable minimum. Accordingly, if the State determines that the turnover rate of such employees is excessive and so notifies Contractor, Contractor will meet with the State to discuss the reasons for the turnover rate and otherwise use commercially reasonable efforts to minimize such turnover rate. If requested to do so by the State, Contractor will submit to the State its proposals for reducing the turnover rate to an acceptable level. In any event, notwithstanding the turnover of personnel, Contractor remains obligated to perform the Services without degradation and in accordance with the State-approved Contract schedule.

(g) Location. All staff assigned by Contractor to work on the Contract will perform their duties either primarily at contractor's offices and facilities or at State facilities. Without limiting the generality of the foregoing, Key Personnel will, at a minimum, spend at least the amount of time on-site at State facilities as indicated in the applicable Statement of Work. Subject to availability, selected Contractor personnel may be assigned office space to be shared with State personnel.

#### **2.042 Contractor Identification**

Contractor employees shall be clearly identifiable while on State property by wearing a State-issued badge, as required. Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

#### **2.043 Cooperation with Third Parties**

Contractor agrees to cause its personnel and the personnel of any Sub Contractor's to cooperate with the State and its agents and other Contractor's including the State's Quality Assurance personnel, and, as reasonably requested by the State, to provide to the State's agents and other Contractor's with reasonable access to Contractor's Project personnel, systems and facilities to the extent they relate to activities specifically associated with this Contract and will not interfere or jeopardize the safety or operation of the systems or facilities and provided Contractor receives reasonable prior written notice of such request. The State acknowledges that contractor's time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded contractor's performance under this Contract with such requests for access.





#### **2.044 Subcontracting by Contractor**

(a) Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State will consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

(b) Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Management and Budget, Office of Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors' and to require Contractor to replace any Sub Contractor found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time agreed upon by the parties.

(c) In any subcontracts entered into by Contractor for the performance of the Services, Contractor shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Alltel, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor will be the responsibility of Alltel, and Contractor shall remain responsible for the performance of its Subcontractor to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractor or suppliers of Alltel. Except as otherwise agreed in writing by the State and Alltel, the State will not be obligated to direct payments for the Services other than to Alltel. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. Attached as **Exhibit E** is a list of the Subcontractor, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable subcontract.

(d) Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.040, 2.110, 2.150, 2.160, 2.171(c), 2.172(b), 2.180, 2.260, 2.276, 2.297** in all of its agreements with any Subcontractor's.

(e) The Contractor shall select subcontractor's (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.

#### **2.045 Contractor Responsibility for Personnel**

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services.

#### **2.050 State Standards**

##### **2.051 Existing Technology Standards**

The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at [http://www.michigan.gov/dit/0,1607,7-139-30639\\_30655---,00.html](http://www.michigan.gov/dit/0,1607,7-139-30639_30655---,00.html).

##### **2.052 PM Methodology Standards**

The State has adopted a standard documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. See the State's PMM website at <http://www.michigan.gov/projectmanagement>.



The Contractor shall use the State's PPM to manage this Contract. If the Contractor requires training on the PPM, those costs shall be the responsibility of the Alltel, unless otherwise stated.

### **2.053 Adherence to Portal Technology Tools**

The State has adopted the following tools for its Portal Technology development efforts:

- Vignette Content Management and personalization Tool
- Inktomi Search Engine
- E-Pay Payment Processing Module
- Websphere Commerce Suite for e-Store applications

Unless otherwise stated, Contractor must use the Portal Technology Tools to implement web content management and deployment efforts. Tools used for web-based application development must work in conjunction with Vignette and Inktomi. The interaction with Vignette and Inktomi must be coordinated with DIT, Enterprise Application Services Office, e-Michigan Web Development team.

Contractor's that are compelled to use alternate tools must have received an exception from DIT, Enterprise Application Services Office, e-Michigan Web Development team, before this Contract is effective.

### **2.054 Acceptable Use Policy**

To the extent that Contractor has access to the State computer system, Contractor must comply with the State's Acceptable Use Policy, see

<http://www.michigan.gov/dit/0,1607,7-139-34305-73760--,00.html>. All Contractor employees must be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State system. The State reserves the right to terminate contractor's access to the State system if a violation occurs.

## **2.060 Deliverables**

### **2.061 Ordering**

(a) Any Services/Deliverables to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee. All orders are subject to the terms and conditions of this Contract. In the event of conflict between an order and this Contract, the Contract shall take precedence as stated in **Section 2.293**. In no event shall any additional terms and conditions contained on a Purchase Order/Blanket Purchase Order be applicable, unless specifically contained in that Purchase Order/Blanket Purchase Order's accompanying Statement of Work.

(b) DIT will continue to oversee the use of this Contract by End Users. DIT may, in writing, delegate to agencies the authority to submit requests for certain services directly to the Alltel. DIT may also designate, in writing, some services as non-delegated and require DIT review and approval before agency acquisition. DIT will use Contractor provided management reports and periodic random agency audits to monitor and administer contract usage for delegated services.

### **2.062 Software (Reserved)**

### **2.063 Hardware**

**Exhibit D** lists the items of hardware the State is required to purchase for execution the Contract. The list in **Exhibit D** includes all hardware required to complete the Contract and make the Deliverables operable; if any additional hardware is required in order for the Deliverables to meet the requirements of this Contract, such hardware shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Contract Change Notice). **Exhibit D** also identifies certain items of hardware to be provided by the State.

### **2.064 Equipment to be New and Prohibited Products**

(a) Equipment to be New

If applicable, all equipment provided under this Contract by Contractor shall be new where Contractor



has knowledge regarding whether the equipment is new or assembled from new or serviceable used parts that are like new in performance or has the option of selecting one or the other. Equipment that is assembled from new or serviceable used parts that are like new in performance is acceptable where Contractor does not have knowledge or the ability to select one or other, unless specifically agreed otherwise in writing by the State.

(b) **Prohibited Products**

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Purchasing Operations has approved a change order pursuant to **Section 2.106**.

## **2.070 Performance**

### **2.071 Performance, In General**

The State engages Contractor to execute the Contract and perform the Services/provide the Deliverables, and Contractor undertakes to execute and complete the Contract in its entirety in accordance with the terms and conditions of this Contract and with the participation of State representatives as specified in this Contract.

### **2.072 Time of Performance**

(a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables in accordance with the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.

(b) Without limiting the generality of **Section 2.072(a)**, Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and, in such event, shall inform the State of the projected actual delivery date.

(c) If Contractor believes that a delay in performance by the State has caused or will cause Contractor to be unable to perform its obligations in accordance with specified Contract time periods, Contractor shall notify the State in a timely manner and shall use commercially reasonable efforts to perform its obligations in accordance with such Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent such delay is caused by the State.

### **2.073 Liquidated Damages**

See requirements

### **2.074 Bankruptcy**

If Contractor shall file for protection under the bankruptcy laws, or if an involuntary petition shall be filed against Contractor and not removed within thirty (30) days, or if the Contractor becomes insolvent, be adjudicated bankrupt, or if it should make a general assignment for the benefit of creditors, or if a receiver shall be appointed due to its insolvency, and Contractor and/or its affiliates are unable to provide reasonable assurances that Contractor and/or its affiliates can deliver the services provided herein, the State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the "Work in Process" and finish such Works in Process by whatever appropriate method the State may deem expedient. Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.

To secure the State's progress payments before the delivery of any services or materials required for the execution of contractor's obligations hereunder, and any work which Contractor may subcontract in the support of the performance of its obligations hereunder, title shall vest in the State to the extent the State has made progress payments hereunder.

### **2.075 RESERVED - Time is of the Essence**

### **2.076 Service Level Agreements (SLAs)**

(a) SLAs will be completed with the following operational considerations:



(i) SLAs will not be calculated for individual Incidents where any event of Excusable Failure has occurred as defined in **Section 2.202**,

(ii) SLAs will not be calculated for individual Incidents where loss of service is planned and where the State has received prior notification and/or coordination.

(iii) SLAs will not apply if the applicable Incident could have been prevented through planning proposed by Contractor and not implemented at the request of the State. In order to invoke this consideration, complete documentation relevant to the denied planning proposal must be presented to substantiate the proposal.

(iv) Time period measurements will be based on the time Incidents are received by the Contractor and the time that the State receives notification of resolution based on 24x7x365 time period, except that the time period measurement will be suspended based on the following ("Stop-Clock Conditions"):

1. Time period(s) will not apply where Contractor does not have access to a physical State Location and where access to the State Location is necessary for problem identification and resolution.

2. Time period(s) will not apply where Contractor needs to obtain timely and accurate information or appropriate feedback and is unable to obtain timely and accurate information or appropriate feedback from the State.

(b) Chronic Failure for any Service(s) will be defined as three (3) unscheduled outage(s) or interruption(s) on any individual Service for the same reason or cause or if the same reason or cause was reasonably discoverable in the first instance over a rolling thirty (30) day period. Chronic Failure will result in the State's option to terminate the effected individual Service(s) and procure them from a different vendor for the chronic location(s) with Contractor to pay the difference in charges for up to three (3) additional months. The termination of the Service will not affect any tiered pricing levels.

(c) Root Cause Analysis will be performed on any Business Critical outage(s) or outage(s) on Services when requested by the Contract Administrator. Contractor will provide its analysis within two (2) weeks of outage(s) and provide a recommendation for resolution.

(d) All decimals shall be rounded to two decimal places with 5 and greater rounding up and 4 and less rounding down unless otherwise specified.

## **2.080 Delivery and Acceptance of Deliverables**

### **2.081 Delivery Responsibilities**

Unless otherwise specified by the State within an individual order, the following shall be applicable to all orders issued under this Contract.

(a) Shipment responsibilities - Services performed/Deliverables provided under this Contract shall be delivered "F.O.B. Destination, within Government Premises." The Contractor shall have complete responsibility for providing all Services/Deliverables to all site(s) unless otherwise stated. Actual delivery dates will be specified on the individual purchase order.

(b) Delivery locations - Services will be performed/Deliverables will be provided at every State of Michigan location within Michigan unless otherwise stated in the SOW. Specific locations will be provided by the State or upon issuance of individual purchase orders.

(c) Damage Disputes - At the time of delivery to State Locations, the State shall examine all packages. The quantity of packages delivered shall be recorded and any obvious visible or suspected damage shall be noted at time of delivery using the shipper's delivery document(s) and appropriate procedures to record such.

Where there is no obvious or suspected damage, all deliveries to a State Location must be opened by the State and the contents inspected for possible internal damage not visible externally within fourteen (14) days of receipt. Any damage must be reported to the Contractor within five (5) days of inspection. If this inspection does not occur and damages not reported within thirty (30) days of receipt, the cure for such damaged deliveries shall transfer to the delivery signing party.



## **2.082 Delivery of Deliverables**

(a) Where applicable, the Statements of Work/POs contain lists of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable"), a good ("Physical Deliverable") or a Service. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of the Contract.

## **2.083 Testing**

(a) Prior to delivering any of the above-mentioned Statement of Work Physical Deliverables or Services to the State, Contractor will first perform all required quality assurance activities to verify that the Physical Deliverable or Service is complete and in conformance with its specifications listed in the applicable Statement of Work or Purchase Order. Before delivering a Physical Deliverable or Service to the State, Contractor shall certify to the State that (1) it has performed such quality assurance activities, (2) it has performed any applicable testing, (3) it has corrected all material deficiencies discovered during such quality assurance activities and testing, (4) the Deliverable or Service is in a suitable state of readiness for the State's review and approval, and (5) the Deliverable/Service has all Critical Security patches/updates applied.

(b) If a Deliverable includes installation at a State Location, then Contractor shall (1) perform any applicable testing, (2) correct all material deficiencies discovered during such quality assurance activities and testing, and (3) inform the State that the Deliverable is in a suitable state of readiness for the State's review and approval. To the extent that testing occurs at State Locations, the State shall be entitled to observe or otherwise participate in testing.

## **2.084 Approval of Deliverables, In General**

(a) All Deliverables (Physical Deliverables and Written Deliverables) and Services require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in **Section 2.083**, to be led by the State with the support and assistance of Alltel. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables/Services being reviewed.

(c) Prior to commencement of its review or testing of a Deliverable/Service, the State may inspect the Deliverable/Service to confirm that all components of the Deliverable/Service have been delivered without material deficiencies. If the State determines that the Deliverable/Service has material deficiencies, the State may refuse delivery of the Deliverable/Service without performing any further inspection or testing of the Deliverable/Service. Otherwise, the review period will be deemed to have started on the day the State receives the Deliverable or the Service begins, and the State and Contractor agree that the Deliverable/Service is ready for use and, where applicable, certification by Contractor in accordance with **Section 2.083(a)**.

(d) The State will approve in writing a Deliverable/Service upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable/Service that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at contractor's expense all deficiencies in the Deliverable/Service that remain outstanding at the time of State approval.

(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable/Service, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Alltel; or (ii) keep the Contract in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract price for such Deliverable/Service and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such





general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable/Service in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may stop using the Service or return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

#### **2.085 Process For Approval of Written Deliverables**

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work following delivery of the final version of the Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Alltel, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

#### **2.086 Process for Approval of Services**

The State Review Period for approval of Services is governed by the applicable Statement of Work (failing which the State Review Period, by default, shall be thirty (30) Business Days for Services). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Service is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Services (or at the State's election, subsequent to approval of the Service). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Service in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon implementation of a corrected Service from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Service for conformity and that the identified deficiencies have been corrected.

#### **2.087 Process for Approval of Physical Deliverables**

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work (failing which the State Review Period, by default, shall be thirty (30) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.





## 2.088 Final Acceptance

Unless otherwise stated in the Statement of Work or Purchase Order, "Final Acceptance" of each Deliverable shall occur when each Deliverable/Service has been approved by the State following the State Review Periods identified in **Sections 2.080-2.087**. Payment will be made for Deliverables installed and accepted. Upon acceptance of a Service, the State will pay for all Services provided during the State Review Period that conformed to the acceptance criteria.

## 2.090 Financial

### 2.091 Pricing

#### (a) Fixed Prices for Services/Deliverables

Each Statement of Work/PO issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. To the extent the parties agree that certain specific Services will be provided on a time and materials basis, such Services (if applicable) shall be provided at the Amendment Labor Rates (**Exhibit C**). The State may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

#### (b) Adjustments for Reductions in Scope of Services/Deliverables

If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope, using the rates in **Article 1, Attachment C** unless specifically identified in an applicable Statement of Work.

#### (c) Services/Deliverables Covered

For all Services/Deliverables to be provided by Contractor (and its Subcontractor's, if any) under this Contract, the State shall not be obligated to pay any amounts in addition to the charges specified in this Contract.

#### (d) Labor Rates

All time and material charges will be at the rates specified or as agreed upon.

### 2.092 Invoicing and Payment Procedures and Terms

#### (a) Invoicing and Payment – In General

(i) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.

(ii) Each Contractor invoice will show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. The charges for Services billed on a time and materials basis shall be determined based on the actual number of hours of Services performed, at the applicable Labor Rates specified. Invoices for Services performed on a time and materials basis will show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 2.094**.

(iii) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within forty-five (45) days after receipt, provided the State determines that the invoice was properly rendered.

#### (b) Taxes (See Section 2.305 and Article 3, Section 3.022-3.024 for additional )

The State is exempt from Federal Excise Tax, State and Local Sales Taxes, and Use Tax with respect to the sale to and use by it of tangible personal property. Such taxes shall not be included in Contract prices as long as the State maintains such exemptions. Copies of all tax exemption certificates shall be supplied to Alltel, if requested.



(c) Out-of-Pocket Expenses

Contractor acknowledges that the out-of-pocket expenses that Contractor expects to incur in performing the Services/ providing the Deliverables (such as, but not limited to, travel and lodging, document reproduction and shipping, and long distance telephone) are included in Contractor's fixed price for each Statement of Work. Accordingly, Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for such an expense at the State's current travel reimbursement rates. See [http://www.mi.gov/dmb/0,1607,7-150-9141\\_13132---,00.html](http://www.mi.gov/dmb/0,1607,7-150-9141_13132---,00.html) for current rates.

(d) Pro-ration

To the extent there are any Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.

(e) Antitrust Assignment

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Alltel, toward fulfillment of this Contract.

(f) Final Payment

The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor will it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

## 2.093 State Funding Obligation

The State's obligation under this Contract is payable only and solely from funds appropriated for the purpose of this Contract. Contractor acknowledges and agrees that all funds for payments after the end of the current fiscal year are subject to the availability of a legislative appropriation for the purpose of this Contract. Events of non-appropriation are addressed further in **Section 2.210** of this Contract.

## 2.094 RESERVED - Holdback

## 2.095 Electronic Payment Availability

Electronic transfer of funds is available to State Contractor(s). Contractor is required to register with the State electronically at <http://www.cpexpress.state.mi.us>. Public Act 533 of 2004, requires all payments be transitioned over to EFT by October, 2005.

## 2.100 Contract Management

### 2.101 Contract Management Responsibility

(a) Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties will include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with the (Project Plan) is likely to delay the timely achievement of any Contract tasks.

(b) The Services/Deliverables will be provided by the Contractor either directly or through its affiliates, subsidiaries, subcontractor's or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor will act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.



## **2.102 Problem and Contract Management Procedures**

Problem Management and Contract Management procedures will be governed by the Contract and the applicable Statements of Work.

## **2.103 Reports and Meetings**

### **(a) Reports.**

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of periodic reports to be issued by Contractor to the State. Such reports may include:

- (i) separately address Contractor's performance in each area of the Services;
- (ii) for each area of the Services, assess the degree to which Contractor has attained or failed to attain the pertinent objectives in that area, including on-time completion and delivery of Deliverables;
- (iii) explain the reasons for any failure to achieve on-time completion and delivery of Deliverables and include a plan for corrective action where appropriate;
- (iv) describe any circumstances that Contractor anticipates will impair or prevent on-time completion and delivery of Deliverables in upcoming reporting periods;
- (v) include plans for corrective action or risk mitigation where appropriate and describe the status of ongoing problem resolution efforts;
- (vi) provide reports setting forth a comparison of actual hours spent by Contractor (including its augmented personnel and Subcontractor's) in performing the Project versus hours budgeted by Alltel.
- (vii) set forth a record of the material personnel changes that pertain to the Services and describe planned changes during the upcoming month that may affect the Services.
- (viii) include such documentation and other information may be mutually agreed to verify compliance with, and meeting the objectives of, this Contract.
- (ix) set forth an updated schedule that provides information on the status of upcoming Deliverables, expected dates of delivery (or redelivery) of such Deliverables and estimates on timing for completion of the Project.

### **(b) Meetings.**

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of meetings to be held between representatives of the State and Alltel. Contractor shall prepare and circulate an agenda sufficiently in advance of each such meeting to give participants an opportunity to prepare for the meeting. Contractor shall incorporate into such agenda items that the State desires to discuss. At the State's request, Contractor shall prepare and circulate minutes promptly after a meeting.

## **2.104 System Changes**

Contractor is not responsible for and not authorized to make changes to any State systems without written authorization from the State. Any changes Contractor makes to State systems with the State's approval shall be done in accordance with applicable State procedures, including security, access and configuration management procedures.

## **2.105 Reserved**

## **2.106 Change Requests**

The State reserves the right to request from time to time, any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, the State would like the Contractor to provide a detailed outline of all work to be done, including tasks necessary to accomplish the services/deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

If the State requests or directs the Contractor to perform any Services/Deliverables that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly, and before commencing performance of the requested activities, that it believes the requested



activities are New Work. If the Contractor fails to notify the State before commencing performance of the requested activities, any such activities performed before notice is given by the Contractor shall be conclusively considered to be in-scope Services/Deliverables, not New Work.

If the State requests or directs the Contractor to perform any services or provide deliverables that are consistent with and similar to the Services/Deliverables being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the Statements of Work, then before performing such services or providing such deliverables, the Contractor shall notify the State in writing that it considers the services or deliverables to be an Additional Service/Deliverable for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing that service or providing that deliverable. If the Contractor does so notify the State, then such a service or deliverable shall be governed by the Change Request procedure in this Section.

In the event prices or service levels are not acceptable to the State, the Additional Services or New Work shall be subject to competitive bidding based upon the specifications.

(a) Change Requests

(i) State Requests

If the State should require Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").

(ii) Contractor Recommendations

Contractor shall be entitled to propose a Change to the State, on its own initiative, should it be of the opinion that this would benefit the Contract.

(iii) Upon receipt of a Change Request or on its own initiative, Contractor shall examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal will include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.

(iv) By giving Contractor written notice within a reasonable time, the State shall be entitled to accept a Contractor proposal for Change, to reject it or to reach another agreement with Alltel. Should the parties agree on carrying out a Change, a written Contract Change Notice shall be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").

(v) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Management and Budget, Office of Purchasing Operations.

(vi) If the State requests or directs Contractor to perform any activities that Contractor believes constitute a Change, Contractor must notify the State that it believes the requested activities are a Change prior to commencing the performance of the requested activities. If Contractor fails to so notify the State prior to commencing performance of the requested activities, such activities shall be considered to be performed gratuitously by Alltel, and Contractor shall not have any right thereafter to assert any claim for additional compensation or time for the performance of such activities. If Contractor commences performance of gratuitous services outside the scope of this Contract and subsequently elects to stop performing such out-of-scope services, Contractor must, at the request of the State, back out or reverse any changes resulting from such performance that would adversely affect the Contract.



## **2.107 Management Tools**

Contractor will use an automated tool for planning, monitoring and tracking the Contract's progress. In addition, Contractor shall use automated project management tools as reasonably necessary to perform the Services, which tools shall include the capability to produce through the end of the Contract: (i) staffing tables with names of personnel assigned to Contract tasks, (ii) project plans showing tasks, subtasks, Deliverables and the resources required and allocated to each (including detailed plans for all Services to be performed within the next sixty (60) days, updated semi-monthly) and (iii) graphs showing critical events, dependencies and decision points during the course of the Contract. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State's standard to the extent such information is described with reasonable detail in the Statements of Work and to the extent the related work is of sufficient project complexity and duration to warrant such reporting.

## **2.110 Records and Inspections**

### **2.111 Records and Inspections**

The Contractor agrees that the State may, upon 24-hour notice, perform an audit at Contractor's location(s) to determine if the Contractor is complying with the requirements of the Contract. The Contractor agrees to cooperate with the State during the audit and produce all records and documentation that verifies compliance with the Contract requirements.

### **2.112 Errors**

(a) If the audit demonstrates any errors in the statements provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.

(b) In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than ten percent (10%), then the Contractor shall pay all of the reasonable costs of the audit.

## **2.120 State Responsibilities**

### **2.121 State Performance Obligations**

(a) Equipment and Other Resources. To facilitate Contractor's performance of the Services/Deliverables, the State shall provide to Contractor such equipment and resources as identified in the Statements of Work or other Contract Exhibits as items to be provided by the State.

(b) Facilities. The State shall designate space as long as it is available and as provided in the Statement of Work, to house Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). Contractor shall have reasonable access to, and unless agreed otherwise by the parties in writing shall observe and comply with all rules and regulations relating to, each of the State Facilities (including hours of operation) used by Contractor in the course of providing the Services. Contractor agrees that it will not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for Contractor's use, or to which Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

(c) Return. Contractor shall be responsible for returning to the State any State-furnished equipment, facilities and other resources when no longer required for the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.

(d) Except as otherwise provided in **Section 2.220**, the State's failure to perform its responsibilities as set forth in this Contract shall not be deemed to be grounds for termination by Alltel. However, Contractor will not be liable for any default or delay in the performance of its obligations under this Contract to the extent such default or delay is caused by nonperformance of the State's obligations under this Contract, provided Contractor provides the State with reasonable written notice of such nonperformance and Contractor uses commercially reasonable efforts to perform notwithstanding the State's failure to perform. In addition, if the





State's nonperformance of its responsibilities under this Contract materially increases the time required for Contractor's performance or Contractor's cost of performance, Contractor shall be entitled to seek an equitable extension via the Change Request process described in **Section 2.106**.

## **2.130 Security**

### **2.131 Background Checks**

The Contractor shall authorize the investigation of its personnel proposed to have access to State facilities and systems on a case by case basis. The scope of the background check is at the discretion of the State and the results will be used to determine Contractor personnel eligibility for working within State facilities and systems. Such investigations will include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

All Contractor personnel will also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See <http://www.michigan.gov/ditservice/0,1607,7-179-25781-73760--00.html>. Furthermore, Contractor personnel will be expected to agree to the State's security and acceptable use policies before the Contractor personnel will be accepted as a resource to perform work for the State. It is expected the Contractor will present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff will be expected to comply with all Physical Security procedures in place within the facilities where they are working.

## **2.140 Reserved**

## **2.150 Confidentiality**

### **2.151 Freedom of Information**

All information in any proposal submitted to the State by Contractor and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

### **2.152 Confidentiality**

Contractor and the State each acknowledge that the other possesses and will continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Contractor shall mean all non-public proprietary information of Contractor (other than Confidential Information of the State as defined below) which is marked confidential, restricted, proprietary or with a similar designation. "Confidential Information" of the State shall mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State pursuant to applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State pursuant to its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. In the case of information of either Contractor or the State "Confidential Information" shall exclude any information (including this Contract) that is publicly available pursuant to the Michigan FOIA.

### **2.153 Protection of Confidential Information**

The State and Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State will (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees and Subcontractor who must have access in order to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) such disclosure is necessary or otherwise naturally occurs in connection with work that is within such Subcontractor's scope of responsibility, and (C) Contractor obligates the Subcontractor in a written





Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to Contractor or Subcontractor, as the case may be, to protect such Confidential Information from unauthorized use or disclosure.

#### **2.154 Exclusions**

Notwithstanding the foregoing, the provisions of this Section will not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose such information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of this Section will not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose such Confidential Information, provided that the receiving party (i) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of such disclosure as reasonably requested by the furnishing party.

#### **2.155 No Implied Rights**

Nothing contained in this Section shall be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

#### **2.156 Remedies**

Each party acknowledges that, if it breaches (or attempts or threatens to breach) its obligations under this Section, the other party may be irreparably harmed. Accordingly, if a court of competent jurisdiction should find that a party has breached (or attempted or threatened to breach) any such obligations, the non-breaching party shall be entitled to seek an injunction preventing such breach (or attempted or threatened breach).

#### **2.157 Security Breach Notification**

In the event of a breach of this Section, Contractor shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor shall report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within ten (10) days of becoming aware of such use or disclosure or such shorter time period as is reasonable under the circumstances.

#### **2.158 Survival**

The parties' respective obligations under this Section shall survive the termination or expiration of this Contract for any reason.

#### **2.159 Destruction of Confidential Information**

Promptly upon termination or cancellation of the Contract for any reason, Contractor shall certify to the State that Contractor has destroyed all State Confidential Information.

#### **2.160 Proprietary Rights**

##### **2.161 Ownership**

**Ownership of Work Product by State.** All Deliverables shall be owned by the State and shall be considered works made for hire by the Contractor for the State. The State shall own all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables.



**Vesting of Rights.** With the sole exception of any preexisting licensed works identified, the Contractor shall assign, and upon creation of each Deliverable automatically assigns, to the State, ownership of all United States and international copyrights, trademarks, patents, or other proprietary rights in each and every Deliverable, whether or not registered by the Alltel, insofar as any such Deliverable, by operation of law, may not be considered work made for hire by the Contractor for the State. From time to time upon State's request, the Contractor and/or its personnel shall confirm such assignment by execution and delivery of the assignments, confirmations of assignment, or other written instruments as the State may request. The State shall have the right to obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Deliverables.

## **2.162 RESERVED - Source Code Escrow**

### **2.163 Rights in Data**

(a) The State will be and remain the owner of all data made available by the State to Contractor or its agents, Subcontractor's or representatives pursuant to the Contract. Contractor will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of Alltel, nor will any employee of Contractor other than those on a strictly need to know basis have access to the State's data. Contractor will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, Contractor shall only use personally identifiable information as strictly necessary to provide the Services and shall disclose such information only to its employees who have a strict need to know such information. Contractor shall comply at all times with all laws and regulations applicable to such personally identifiable information.

(b) The State is and shall remain the owner of all State-specific data pursuant to the Contract. The State may use the data provided by the Contractor for any purpose. The State will not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State shall only use personally identifiable information as strictly necessary to utilize the Services and shall disclose such information only to its employees who have a strict need to know such information, except as provided by law. The State shall comply at all times with all laws and regulations applicable to such personally identifiable information. Other material developed and provided to the State shall remain the State's sole and exclusive property.

### **2.164 Ownership of Materials**

State and Contractor will continue to own their respective proprietary technologies developed before entering into the Contract. Any hardware bought through the Contractor by the State, and paid for by the State, will be owned by the State. Any software licensed through the Contractor and sold to the State, will be licensed directly to the State.

### **2.165 Standard Software**

If applicable and necessary, all Standard Software used in performing the Services shall be provided to the State under a separate license agreement between the State and the owner (or authorized licensor) of such software. Standard Software to be licensed to the State is listed in **Exhibit C**.

### **2.166 Pre-existing Materials for Custom Software Deliverables**

Neither Contractor nor any of its Subcontractor's shall incorporate any preexisting materials (including Standard Software) into Custom Software Deliverables or use any pre-existing materials to produce Custom Software Deliverables if such pre-existing materials will be needed by the State in order to use the Custom Software Deliverables unless (i) such pre-existing materials and their owners are identified to the State in writing and (ii) such pre-existing materials are either readily commercially available products for which Contractor or its Subcontractor's, as the case may be, has obtained a license (in form and substance approved by the State) in the name of the State, or are materials that Contractor or its Subcontractor's, as the case may be, has the right to license to the State and has licensed to the State on terms and conditions approved by the State prior to using such pre-existing materials to perform the Services.



## **2.167 General Skills**

Notwithstanding anything to the contrary in this Section, each party, its Subcontractor's and their personnel shall be free to use and employ its and their general skills, know-how and expertise, and to use, disclose and employ any generalized ideas, concepts, know-how, methods, techniques or skills gained or learned during the course of performing the Services, so long as it or they acquire and apply the foregoing without disclosure of any confidential or proprietary information of the other party.

## **2.170 Warranties And Representations**

### **2.171 Warranties and Representations**

The Contractor represents and warrants:

(a) It is capable in all respects of fulfilling and shall fulfill all of its obligations under this Contract. The performance of all obligations under this Contract shall be provided in a timely, professional, and workman-like manner and shall meet the performance and operational standards required under this Contract.

(b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.

(c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under this Contract, nor their use by the State, will infringe the patent, copyright, trade secret, or other proprietary rights of any third party.

(d) If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to such items in this Contract, Contractor shall assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.

(e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Alltel.

(f) It is qualified and registered to transact business in all locations where required.

(g) Neither the Contractor nor any Affiliates, nor any employee of either, has, shall have, or shall acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor shall notify the State within two (2) days of any such interest that may be incompatible with the interests of the State.

(h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or shall accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor shall not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or such Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other bidder; and no attempt was made by



Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by such financial statements, reports, other information. Since the respective dates or periods covered by such financial statements, reports, or other information, there have been no material adverse change in the business, properties, financial condition, or results of operations of Alltel.

(m) All written information furnished to the State by or behalf of Contractor in connection with this Contract, including its bid, it true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make such information not misleading.

(n) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or such department within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of such contract.

## **2.172 Software Warranties**

### **(a) Performance Warranty**

The Contractor represents and warrants that Deliverables, after Final Acceptance, will perform and operate in compliance with the requirements and other standards of performance contained in this Contract (including all descriptions, specifications and drawings made a part of the Contract) for a period of ninety (90) days. In the event of a breach of this warranty, Contractor will promptly correct the affected Deliverable(s) at no charge to the State.

### **(b) No Surreptitious Code Warranty**

The Contractor represents and warrants that no copy of licensed Software provided to the State contains or will contain any Self-Help Code or any Unauthorized Code as defined below. This warranty is referred to in this Contract as the "No Surreptitious Code Warranty."

As used in this Contract, "Self-Help Code" means any back door, time bomb, drop dead device, or other software routine designed to disable a computer program automatically with the passage of time or under the positive control of a person other than the licensee of the software. Self-Help Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

As used in this Contract, "Unauthorized Code" means any virus, Trojan horse, spyware, worm or other Software routines or components designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data; or to perform any other such actions. The term Unauthorized Code does not include Self-Help Code. Unauthorized Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

In addition, Contractor will use up-to-date commercial virus detection software to detect and remove any viruses from any software prior to delivering it to the State.



(c) Calendar Warranty

The Contractor represents and warrants that all software for which the Contractor either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.

The software design, to insure calendar year rollover compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

(d) Third-party Software Warranty

The Contractor represents and warrants that it will disclose the use or incorporation of any third-party software into the Deliverables. At the time of Delivery, the Contractor shall provide in writing the name and use of any Third-party Software, including information regarding the Contractor's authorization to include and utilize such software. The notice shall include a copy of any ownership agreement or license that authorizes the Contractor to use the Third-party Software.

**2.173 Equipment Warranty (See Article 1, Warranties)**

To the extent Contractor is responsible under this Contract for maintaining equipment/system(s), Contractor represents and warrants that it will maintain such equipment/system(s) in good operating condition and will undertake all repairs and preventive maintenance in accordance with the applicable manufacturer's recommendations for the period specified in this Contract.

The Contractor shall provide a toll-free telephone number to allow the State to report equipment failures and problems to be remedied by the Alltel.

The Contractor agrees that all warranty service it provides under this Contract shall be performed by original equipment manufacturer (OEM) trained, certified and authorized technicians.

The Contractor shall act as the sole point of contact for warranty service. The Contractor warrants that it shall pass through to the State any and all warranties obtained or available from the original equipment manufacturer, including any replacement, upgraded, or additional equipment warranties.

**2.174 Physical Media Warranty**

(a) Contractor represents and warrants that each licensed copy of the Software provided by the Contractor is free from physical defects in the media that tangibly embodies the copy. This warranty does not apply to defects discovered more than thirty (30) days after that date of Final Acceptance of the Software by the State. This warranty does not apply to defects arising from acts of Excusable Failure. If the Contractor breaches this warranty, then the State shall be entitled to replacement of the non-compliant copy by Alltel, at Contractor's expense (including shipping and handling).

**2.175 Standard Warranties**

(a) Warranty of Merchantability

Deliverables shall be merchantable. All Deliverables shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the Contractor on the container or label.





(b) Warranty of fitness for a particular purpose

When Contractor has reason to know or knows any particular purpose for which the Deliverables are required, and when the State is relying on the Contractor's skill or judgment to select or furnish suitable Deliverables, the Contractor warrants that the Deliverables are fit for such purpose.

(c) Warranty of title

Contractor shall convey good title in those Deliverables, whose transfer is right and lawful. All Deliverables provided by Contractor shall be delivered free from any security interest, lien, or encumbrance. Deliverables shall be delivered free of any rightful claim of any third person of ownership, interest, lien or encumbrance.

## 2.176 Consequences For Breach

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in this section, such breach may be considered as a default in the performance of a material obligation of this Contract.

## 2.180 Insurance

### 2.181 Liability Insurance

(a) Liability Insurance

The Contractor is required to provide proof of the minimum levels of insurance coverage as indicated below. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether such services are performed by the Alltel, or by any subAlltel, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain pursuant to this Contract.

All insurance coverage's provided relative to this Contract/Purchase Order are PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State.

The insurance shall be written for not less than any minimum coverage specified in this Contract or required by law, whichever is greater.

The insurers selected by Contractor shall have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if such ratings are no longer available, with a comparable rating from a recognized insurance rating agency. All policies of insurance required in this Contract shall be issued by companies that have been approved to do business in the State.

See [http://www.mi.gov/cis/0.1607.7-154-10555\\_22535---.00.html](http://www.mi.gov/cis/0.1607.7-154-10555_22535---.00.html).

Where specific limits are shown, they are the minimum acceptable limits. If Contractor's policy contains higher limits, the State shall be entitled to coverage to the extent of such higher limits.

Before the Contract is signed by both parties or before the purchase order is issued by the State, the Contractor must furnish to the Director of Purchasing Operations, certificate(s) of insurance verifying insurance coverage ("Certificates"). The Certificate must be on the standard "accord" form or equivalent. **THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) shall contain a provision indicating that coverage's afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for ten (10) days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Management and Budget. The notice must include the Contract or Purchase Order number affected and be mailed to: Director, Purchasing Operations, Department of Management and Budget,





P.O. Box 30026, Lansing, Michigan 48909. Failure to provide evidence of coverage, may, at the State's sole option, result in this Contract's termination.

The Contractor is required to pay for and provide the type and amount of insurance checked ☒ below:

- ☒ 1. Commercial General Liability with the following minimum coverage:  
 \$2,000,000 General Aggregate Limit other than Products/Completed Operations  
 \$2,000,000 Products/Completed Operations Aggregate Limit  
 \$1,000,000 Personal & Advertising Injury Limit  
 \$1,000,000 Each Occurrence Limit  
 \$500,000 Fire Damage Limit (any one fire)

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

- ☒ 2. If a motor vehicle is used to provide services or products under this Contract, the Contractor must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Contractor's business for bodily injury and property damage as required by law.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED on the vehicle liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

- ☒ 3. Workers' compensation coverage must be provided in accordance with applicable laws governing the employees and employers work activities in the state of the Contractor's domicile. If the applicable coverage is provided by a self-insurer, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Any certificates of insurance received must also provide a list of states where the coverage is applicable.

The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

- ☒ 4. Employers liability insurance with the following minimum limits:  
 \$100,000 each accident  
 \$100,000 each employee by disease  
 \$500,000 aggregate disease

☐ 5. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Contractor or its Subcontractor's, acting alone or in collusion with others, in a minimum amount of one million dollars (\$1,000,000.00) with a maximum deductible of fifty thousand dollars (\$50,000.00).

☐ 6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars (\$10,000,000.00), which shall apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.

☐ 7. Professional Liability (Errors and Omissions) Insurance with the following minimum coverage: three million dollars (\$3,000,000.00) each occurrence and three million dollars (\$3,000,000.00) annual aggregate.



☐ 8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Contractor for any reason under this Contract, and the equipment, software and other contents of such office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to the replacement value thereof, where such office space and its contents are under the care, custody and control of Alltel. Such policy shall cover all risks of direct physical loss or damage, including without limitation, flood and earthquake coverage and coverage for computer hardware and software. The State shall be endorsed on the policy as a loss payee as its interests appear.

(b) Subcontractor's

Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor shall require all of its Subcontractor's under this Contract to purchase and maintain the insurance coverage as described in this Section for the Contractor in connection with the performance of work by those Subcontractor's. Alternatively, Contractor may include any Sub Contractor's under Contractor's insurance on the coverage required in this Section. Subcontractor(s) shall fully comply with the insurance coverage required in this Section. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

(c) Certificates of Insurance and Other Requirements

Contractor shall furnish to the Office of Purchasing Operations certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor shall provide evidence that the State and its agents, officers and employees are listed as additional insureds under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

Contractor shall maintain all required insurance coverage throughout the term of the Contract and any extensions thereto and, in the case of claims-made Commercial General Liability policies, shall secure tail coverage for at least three (3) years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and shall not be construed, to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor shall be responsible for all deductibles with regard to such insurance. If Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, at the State's election (but without any obligation to do so) after the State has given Contractor at least thirty (30) days written notice, the State may pay such premium or procure similar insurance coverage from another company or companies; and at the State's election, the State may deduct the entire cost (or part thereof) from any payment due Alltel, or Contractor shall pay the entire cost (or any part thereof) upon demand by the State.

## **2.190 Indemnification**

### **2.191 Indemnification**

(a) General Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its subcontractor's, or by anyone else for whose acts any of them may be liable.

(b) Code Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.



(c) Employee Indemnification

In any and all claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its subcontractor's, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractor's under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

(d) Patent/Copyright Infringement Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractor's, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Alltel, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Alltel, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Notwithstanding the foregoing, the Contractor shall have no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; or (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

## **2.192 Continuation of Indemnification Obligations**

The Contractor's duty to indemnify pursuant to this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred prior to expiration or cancellation.

## **2.193 Indemnification Procedures**

The procedures set forth below shall apply to all indemnity obligations under this Contract.

(a) After receipt by the State of notice of the action or proceeding involving a claim in respect of which it will seek indemnification, the State shall promptly notify Contractor of such claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Alltel. No failure to notify Contractor shall relieve Contractor of its indemnification obligations except to the extent that Contractor can demonstrate damages attributable to such failure. Within ten (10) days following receipt of written notice from the State relating to any claim, Contractor shall notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and prior to the State receiving Contractor's Notice of Election, the State shall be entitled to defend against the claim, at Contractor's expense, and Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during such period.



(b) If Contractor delivers a Notice of Election relating to any claim: (i) the State shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim and to monitor and advise the State about the status and progress of the defense; (ii) Contractor shall, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of Alltel. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor shall promptly reimburse the State for all such reasonable costs and expenses.

## **2.200 Limits of Liability and Excusable Failure**

### **2.201 Limits of Liability**

The Contractor's liability for damages to the State shall be limited to two times the value of the Contract or \$200,000 (for low risk contracts – Select a higher amount for moderate to high risk contracts) which ever is higher. The foregoing limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Alltel; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The State's liability for damages to the Contractor shall be limited to the value of the Contract.

Neither the Contractor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Alltel; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

### **2.202 Excusable Failure**

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent such default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its Subcontractor's are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.



In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay and provided further that such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay Contractor's performance of the Services/provision of Deliverables for more than ten (10) Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State shall not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance shall continue; (b) the State may terminate any portion of the Contract so affected and the charges payable there under shall be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to Alltel, except to the extent that the State shall pay for Services/Deliverables provided through the date of termination.

Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractor's will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

### **2.203 Disaster Recovery**

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to providing Services/Deliverables under this Contract will provide the State with priority service for repair and work around in the event of a natural or manmade disaster.

### **2.210 Termination/Cancellation by the State**

The State may terminate this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

#### **2.211 Termination for Cause**

(a) In the event that Contractor breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA as defined in **Section 2.076**), which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State (such time period not to be less than thirty (30) days), or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of termination to Alltel, terminate this Contract in whole or in part, for cause, as of the date specified in the notice of termination.

(b) In the event that this Contract is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Contractor shall be responsible for all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs shall not be considered by the parties to be consequential, indirect or incidental damages, and shall not be excluded by any other terms otherwise included in this Contract, provided such costs are not in excess of fifty percent (50%) more than the prices for such Service/Deliverables provided under this Contract.

(c) In the event the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State shall pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.





(d) In the event this Contract is terminated for cause pursuant to this Section, and it is determined, for any reason, that Contractor was not in breach of contract pursuant to the provisions of this section, that termination for cause shall be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in this Contract for a termination for convenience.

### **2.212 Termination for Convenience**

The State may terminate this Contract for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least thirty (30) days prior to the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

### **2.213 Non-Appropriation**

(a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State shall have the right to terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Alltel. The State shall give Contractor at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff).

(b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise made available, the State may, upon thirty (30) days written notice to Alltel, reduce the level of the Services or the change the production of Deliverables in such manner and for such periods of time as the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of such reduction.

(c) In the event the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor pursuant to this Section, the State shall pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. For the avoidance of doubt, this Section will not preclude Contractor from reducing or stopping Services/Deliverables and/or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

### **2.214 Criminal Conviction**

The State may terminate this Contract immediately and without further liability or penalty in the event Alltel, an officer of Alltel, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense incident to the application for, or performance of, a State, public or private Contract or subcontract; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Contractor's business integrity.



**2.215 Approvals Rescinded**

The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.

**2.216 Rights and Obligations Upon Termination**

(a) If this Contract is terminated by the State for any reason, Contractor shall (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) in the event that the Contractor maintains title in Deliverables that is intended to be transferred to the State at the termination of the Contract, Contractor will transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which shall be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of such items included compensation to Contractor for the provision of warranty services in respect of such materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.

(b) In the event the State terminates this Contract prior to its expiration for its own convenience, the State shall pay Contractor for all charges due for Services provided prior to the date of termination and, if applicable, as a separate item of payment pursuant to this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and Contractor shall be entitled to receive equitable fair compensation for such Deliverables. Regardless of the basis for the termination, the State shall not be obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

(c) Upon a good faith termination, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

**2.217 Reservation of Rights**

Any termination of this Contract or any Statement of Work issued under it by a party shall be with full reservation of, and without prejudice to, any rights or remedies otherwise available to such party with respect to any claims arising prior to or as a result of such termination.

**2.218 Contractor Transition Responsibilities**

In the event this contract is terminated, for convenience or cause, dissolved, voided, rescinded, nullified, expires or is otherwise rendered unenforceable, the Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of this Contract, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed ninety (90) days. These efforts shall include, but are not limited to, the following:

(a) Personnel - The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor shall allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractor's or vendors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractor's or vendors.



Contractor will notify all of Contractor's subcontractor's of procedures to be followed during transition.

(b) Information - The Contractor agrees to provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.

(d) Software. - The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This shall include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Alltel, those licenses shall, upon expiration of the Contract, transfer back to the State at their current revision level. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.

(e) Payment - If the transition results from a termination for any reason, reimbursement shall be governed by the termination provisions of this Contract. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after contract expiration that result from transition operations) at the rates specified by **Exhibit C**. The Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

## **2.219 State Transition Responsibilities**

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to perform the following obligations, and any others upon which the State and the Contractor agree:

- (a) Reconciling all accounts between the State and the Alltel;
- (b) Completing any pending post-project reviews.

## **2.220 Termination by Alltel**

### **2.221 Termination by Alltel**

If the State materially breaches its obligation to pay Contractor undisputed amounts due and owing under this Contract in accordance with **Section 2.090**, or if the State breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for Contractor to perform the Services, and if the State does not cure the breach within the time period specified in a written notice of breach provided to the State by Contractor (such time period not to be less than thirty (30) days), then Contractor may terminate this Contract, in whole or in part based on Statement of Work for cause, as of the date specified in the notice of termination; provided, however, that Contractor must discharge its obligations under **Section 2.250** before any such termination.

## **2.230 Stop Work**

### **2.231 Stop Work Orders**

The State may, at any time, by written stop work order to Alltel, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to ninety (90) calendar days after the stop work order is delivered to Alltel, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this **Section 2.230**. Upon receipt of the stop work order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State shall either: (a) cancel the stop work order; or (b) terminate the work covered by the stop work order as provided in **Section 2.210**.

**2.232 Cancellation or Expiration of Stop Work Order**

If a stop work order issued under this **Section 2.230** is canceled or the period of the stop work order or any extension thereof expires, Contractor shall resume work. The parties shall agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if: (a) the stop work order results in an increase in the time required for, or in Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor asserts its right to an equitable adjustment within thirty (30) calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.106**.

**2.233 Allowance of Contractor Costs**

If the stop work order is not canceled and the work covered by the stop work order is terminated for reasons other than material breach, such termination shall be deemed to be a termination for convenience under **Section 2.212**, and the State shall allow reasonable costs resulting from the stop work order in arriving at the termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a stop work order issued under this **Section 2.230**.

**2.240 Reserved****2.250 Dispute Resolution****2.251 In General**

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract or any Statement of Work shall be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under the Contract, or the time for Contractor's performance, Contractor shall submit a letter executed by Contractor's Contract Administrator or his designee certifying that (a) the claim is made in good faith, (b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the supporting data provided with such an affidavit are current and complete to Contractor's best knowledge and belief.

**2.252 Informal Dispute Resolution**

(a) All operational disputes between the parties shall be resolved under the Contract Management procedures developed pursuant to **Section 2.100**. If the parties are unable to resolve any disputes after compliance with such processes, the parties shall meet with the Director of Purchasing Operations, DMB, or designee, for the purpose of attempting to resolve such dispute without the need for formal legal proceedings, as follows:

(i) The representatives of Contractor and the State shall meet as often as the parties reasonably deem necessary in order to gather and furnish to each other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.

(ii) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract will be honored in order that each of the parties may be fully advised of the other's position.

(iii) The specific format for the discussions will be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.

(iv) Following the completion of this process within sixty (60) calendar days, the Director of Purchasing Operations, DMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within thirty (30) calendar days. The opinion regarding the dispute shall be considered the State's final action and the exhaustion of administrative remedies.



(b) This **Section 2.250** will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or pursuant to **Section 2.253**.

(c) The State will not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work pursuant to the Contract.

### **2.253 Injunctive Relief**

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.252** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is such that the damages to such party resulting from the breach will be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

### **2.254 Continued Performance**

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment shall not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.210** and **2.220**, as the case may be.

### **2.260 Federal and State Contract Requirements**

#### **2.261 Nondiscrimination**

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Contract.

#### **2.262 Unfair Labor Practices**

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

#### **2.263 Workplace Safety and Discriminatory Harassment**

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Alltel. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

### **2.270 Litigation**

#### **2.271 Disclosure of Litigation**

(a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) must notify the State of any material civil litigation, arbitration or proceeding which arises during



the term of the Contract and extensions thereto, to which Contractor (or, to the extent Contractor is aware, any Subcontractor hereunder) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor hereunder; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor hereunder by a governmental or public entity arising out of their business dealings with governmental or public entities. Any such litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") must be disclosed in a written statement to the Contract Administrator within thirty (30) days of its occurrence. Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated as such. Information provided to the State from Contractor's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section.

(b) Assurances. In the event that any such Proceeding disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

- (i) the ability of Contractor (or a Subcontractor hereunder) to continue to perform this Contract in accordance with its terms and conditions, or
- (ii) whether Contractor (or a Subcontractor hereunder) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in such Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then Contractor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that:

(A) Contractor and/or its Subcontractor's hereunder will be able to continue to perform this Contract and any Statements of Work in accordance with its terms and conditions, and

(B) Contractor and/or its Subcontractor's hereunder have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in such Proceeding.

(c) Contractor shall make the following notifications in writing:

(1) Within thirty (30) days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor shall notify the Office of Purchasing Operations.

(2) Contractor shall also notify the Office of Purchasing Operations within thirty (30) days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.

(3) Contractor shall also notify Purchasing Operations within thirty (30) days whenever changes to company affiliations occur.

## **2.272 Governing Law**

The Contract shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

## **2.273 Compliance with Laws**

Contractor shall comply with all applicable state, federal, and local laws and ordinances ("Applicable Laws") in providing the Services/Deliverables.

## **2.274 Jurisdiction**

Any dispute arising from the Contract shall be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

## **2.280 Environmental Provision**





## **2.281 Environmental Provision**

For the purposes of this Section, "Hazardous Materials" is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, such construction materials as paint thinners, solvents, gasoline, oil, etc., and any other material the manufacture, use, treatment, storage, transportation or disposal of which is regulated by the federal, state or local laws governing the protection of the public health, natural resources or the environment. This includes, but is not limited to, materials such as batteries and circuit packs, and other materials that are regulated as (1) "Hazardous Materials" under the Hazardous Materials Transportation Act, (2) "chemical hazards" under the Occupational Safety and Health Administration standards, (3) "chemical substances or mixtures" under the Toxic Substances Control Act, (4) "pesticides" under the Federal Insecticide Fungicide and Rodenticide Act, and (5) "hazardous wastes" as defined or listed under the Resource Conservation and Recovery Act. This Contract does not cover the handling, removal, or disposal of all Hazardous Materials.

(a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material in accordance with all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Prior to the commencement of Work, the State shall advise Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of such Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor shall immediately stop all affected Work, give written notice to the State of the conditions encountered, and take appropriate health and safety precautions.

(b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Alltel, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State shall order a suspension of Work in writing. The State shall proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State shall terminate the affected Work for the State's convenience.

(c) Once the Hazardous Material has been removed or rendered harmless by the State, the affected Work shall be resumed as directed in writing by the State. Any determination by the Michigan Department of Community Health and/or the Michigan Department of Environmental Quality (whichever is applicable) that the Hazardous Material has either been removed or rendered harmless shall be binding upon the State and Contractor for the purposes of resuming the Work. If any such incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time as mutually agreed by the parties.

(d) If the Hazardous Material was brought to the site by the Alltel, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Alltel, the Contractor shall bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material in accordance with Applicable Laws to the condition approved by applicable regulatory agency(ies). If the Contractor fails to take appropriate action pursuant to Applicable Laws and consistent with the State requirements, then the State may take appropriate action.

## **2.290 General**

### **2.291 Amendments**

The Contract may not be modified, amended, extended, or augmented, except by a writing executed by the parties.

### **2.292 Assignment**

(a) Neither party shall have the right to assign the Contract, or to assign or delegate any of its duties or obligations under the Contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as such affiliate is adequately capitalized and can provide adequate





assurances that such affiliate can perform the Contract. Any purported assignment in violation of this Section shall be null and void. It is the policy of the State of Michigan to withhold consent from proposed assignments, subcontracts, or novations when such transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

(b) Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. In the event of any such permitted assignment, Contractor shall not be relieved of its responsibility to perform any duty imposed upon it herein, and the requirement under the Contract that all payments shall be made to one entity shall continue.

### **2.293 Entire Contract; Order of Precedence**

(a) The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to such subject matter and as additional terms and conditions on the purchase order shall apply as limited by **Section 2.061**.

(b) In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work will take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of **Sections 2.110 through 2.220** of the Contract, which may be modified or amended only by a formal Contract amendment.

### **2.294 Headings**

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of the Contract.

### **2.295 Relationship of the Parties (Independent Contractor Relationship)**

The relationship between the State and Contractor is that of client and independent Alltel. No agent, employee, or servant of Contractor or any of its SubContractor's shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractor's during the performance of the Contract.

### **2.296 Notices**

(a) Any notice given to a party under the Contract shall be deemed effective, if addressed to such party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

#### **Douglas Collier**

Office of Purchasing Operations  
Department of Management and Budget  
Mason Bldg, 2nd Floor  
PO Box 30026  
Lansing, MI 48909  
Phone: 517-335-4804  
E-mail: collierd1@michigan.gov

with copies to:

#### **Michael Breen**

Department of Information Technology  
Constitution Hall, 1st Floor N Tower  
Lansing, MI 48909  
E-mail: breenm@michigan.gov  
(517) 241-7720



and

**Steve McMahon**

Michigan Dept. of Information Technology – Telecommunications  
608 W. Allegan  
Lansing, MI 48913  
Phone: 517-373-6353  
E-mail: mcmahons@michigan.gov

Alltel(s): To be added at award by DMB

Name

Address

Either party may change its address where notices are to be sent by giving notice in accordance with this Section.

**2.297 Media Releases and Contract Distribution**

(a) Media Releases

Neither Contractor nor the State will make any news releases, public announcements or public disclosures, nor will they have any conversations with representatives of the news media, pertaining to the Contract, the Services or the Contract without the prior written approval of the other party, and then only in accordance with explicit written instructions provided by that party. In addition, neither Contractor nor the State will use the name, trademarks or other proprietary identifying symbol of the other party or its affiliates without such party's prior written consent. Prior written consent of the Contractor must be obtained from authorized representatives.

(b) Contract Distribution

Purchasing Operations shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

**2.298 Reformation and Severability**

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

**2.299 Consents and Approvals**

Except as expressly provided otherwise in the Contract, if either party requires the consent or approval of the other party for the taking of any action under the Contract, such consent or approval shall be in writing and shall not be unreasonably withheld or delayed.

**2.300 No Waiver of Default**

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

**2.301 Survival**

Any provisions of the Contract that impose continuing obligations on the parties including the parties' respective warranty, indemnity and confidentiality obligations, shall survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section.

**2.302 Covenant of Good Faith**

Each party agrees that, in its dealings with the other party or in connection with the Contract, it shall act reasonably and in good faith. Unless stated otherwise in the Contract, the parties will not unreasonably delay, condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under the Contract.

**2.303 Permits**

Contractor shall obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

**2.304 Website Incorporation**

State expressly states that it will not be bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of such content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representation of the State.

**2.305 Taxes**

Vendors are expected to collect and pay all applicable federal, state, and local employment taxes, including the taxes defined in Section 3.022 for all persons involved in the resulting Contract.

The State may refuse to award a contract to any Vendor who has failed to pay any applicable State taxes. The State may refuse to accept Vendor's bid, if Vendor has any outstanding debt with the State. Prior to any award, the State will verify whether Vendor has any outstanding debt with the State.

**2.306 Prevailing Wage**

The rates of wages and fringe benefits to be paid each class of individuals employed by the Alltel, its subcontractor's, their subcontractor's, and all persons involved with the performance of this Contract in privity of contract with the Contractor shall not be less than the wage rates and fringe benefits established by the Michigan Department of Labor and Economic Development, Wage and Hour Bureau, schedule of occupational classification and wage rates and fringe benefits for the local where the work is to be performed. The term Contractor shall include all general contractor's, prime contractor's, project managers, trade contractor's, and all of their Contractor's or subcontractor's and persons in privity of contract with them.

The Alltel, its subcontractor's, their subcontractor's, and all persons involved with the performance of this contract in privity of contract with the Contractor shall keep posted on the work site, in a conspicuous place, a copy of all wage rates and fringe benefits as prescribed in the contract. You must also post, in a conspicuous place, the address and telephone number of the Michigan Department of Labor and Economic Development, the office responsible for enforcement of the wage rates and fringe benefits. You shall keep an accurate record showing the name and occupation of the actual wage and benefits paid to each individual employed in connection with this contract. This record shall be available to the State upon request for reasonable inspection.

If any trade is omitted from the list of wage rates and fringe benefits to be paid to each class of individuals by the Alltel, it is understood that the trades omitted shall also be paid not less than the wage rate and fringe benefits prevailing in the local where the work is to be performed.

**2.307 Call Center Disclosure**

**Contractor and/or all subcontractor's involved in the performance of this Contract providing call or contact center services to the State must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information shall be a material breach of this Contract.**

**2.308 Future Bidding Preclusion**

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future RFP, it may be precluded from bidding on the subsequent RFP. The State reserves the right to disqualify any bidder if the State determines that the bidder has used its position (whether as an incumbent Alltel, or as a Contractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a leading edge on the competitive RFP.

**2.310 Reserved****2.320 Extended Purchasing****2.321 MiDEAL**

Public Act 431 of 1984 permits DMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at: <http://www.michigan.gov/doingbusiness/0,1607,7-146-6586-16656--,00.html>. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and equipment at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the local unit of government on a direct and individual basis.

To the extent that authorized local units of government purchase quantities of Services and/or equipment under this Contract, the quantities of Services and/or equipment purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

**2.322 State Employee Purchases**

The State allows State employees to purchase from this Contract. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the State employee is an authorized purchaser before extending the Contract pricing.

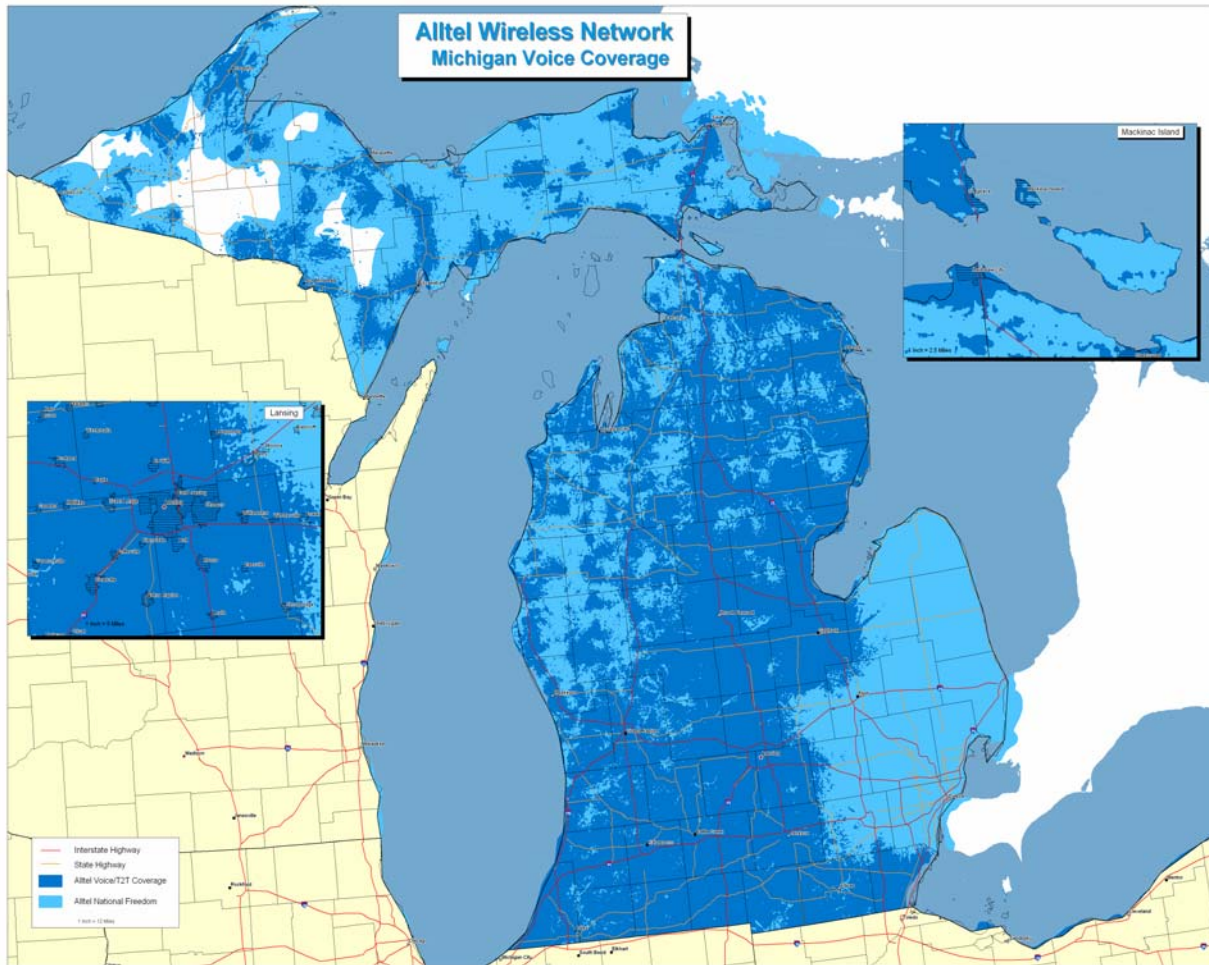
The Contractor will supply Contract Services and Deliverables at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the State employee on a direct and individual basis.

To the extent that authorized State employees purchase quantities of Services and/or Deliverables under this Contract, the quantities of Services and/or Deliverables purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

**2.330 Federal Grant Requirements****2.331 RESERVED - Federal Grant Requirements**

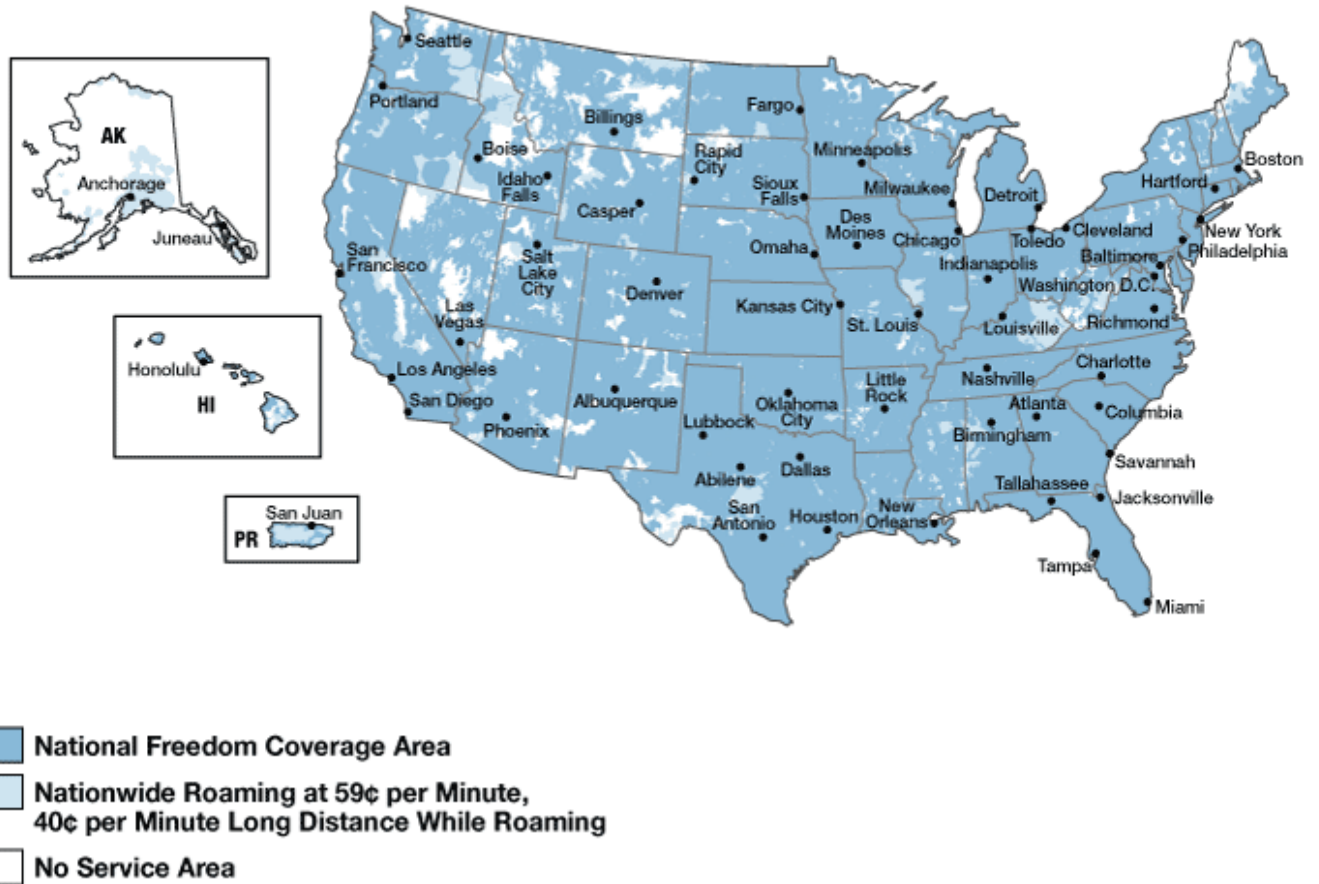


**Exhibit A**  
**Area Coverage Maps**  
**Please use the following Link to get the most current Coverage's**  
[www.alltel.com](http://www.alltel.com).





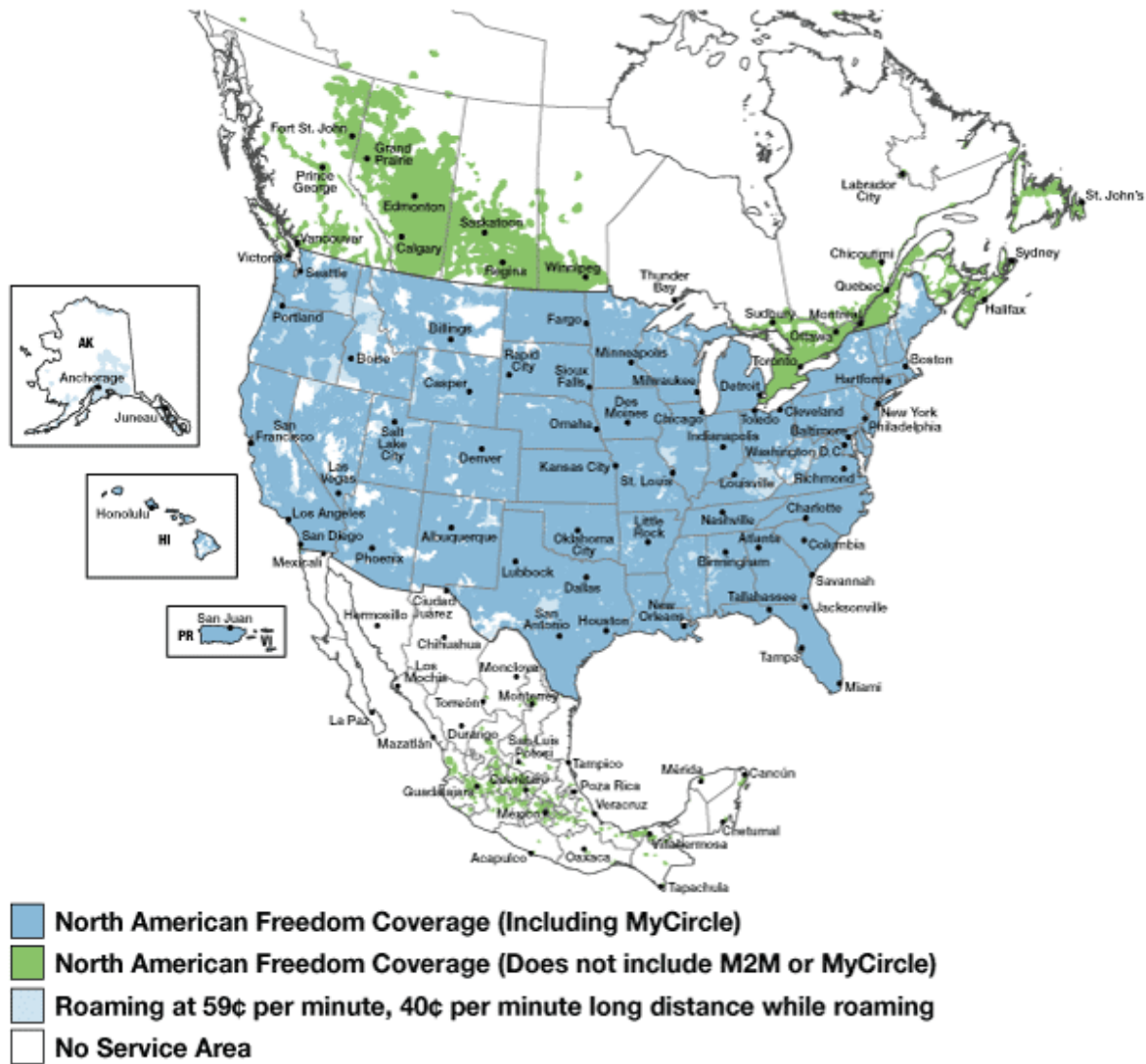
## 2. National Coverage







### 3. International Coverage Check on Roaming



4.



**Exhibit B**  
**Account Rep Info**

**Sales:**

David Harns handles the following

Secretary of State  
Department of Agriculture  
DMB  
DLEG  
His contact info  
[David.Harns@alltel.com](mailto:David.Harns@alltel.com)  
517-243-2999

Nick Hager handles the following

DNR  
Michigan State Police  
MSHDA  
His Contact info  
[Nick.Hager@alltel.com](mailto:Nick.Hager@alltel.com)  
517-243-2626

Jason Gauna handles the following

DIT  
DHS  
MDOT  
Community Health  
His contact info  
[Jason.gauna@alltel.com](mailto:Jason.gauna@alltel.com)  
517-930-4777

If your department is not covered please contact Tom Floro at 419-266-1598

**Customer service or Billing inquiries**

Christine Miller handles the following

Michigan State Police  
DNR  
MDOT  
Dept. of Agriculture  
DHS  
Community Health  
MIOSHA  
Dept. of Corrections  
DEQ  
Dept of Education  
DLEG  
MSHDA  
DMB  
Michigan Army National Guard  
Her contact info is  
517-243-4343  
[Christine.miller@alltel.com](mailto:Christine.miller@alltel.com)



Dan Gallant handles the following

DIT

Dept of Agriculture

Dept of State

Secretary of State

DHS

Unemployment Agency

DLEG

Bureau of Workforce programs

Dept of Corrections

Dan's contact info is

517-388-5000

[Daniel.gallant@alltel.com](mailto:Daniel.gallant@alltel.com)

1<sup>st</sup> point of escalation – Tom Floro –

Director of Business Sales

419-266-1598

[Thomas.Floro@alltel.com](mailto:Thomas.Floro@alltel.com)

2<sup>nd</sup> point of escalation – Sheila Salaz

Key Account Rep Supervisor

216-315-2400

[Sheila.Salaz@alltel.com](mailto:Sheila.Salaz@alltel.com)

**National Accounts**

3<sup>rd</sup> point of escalation - within 1 to 2 hours

Kimberly J. Edwards – National Account Manager

(501) 905-5538

[Kimberly.j.Edwards@alltel.com](mailto:Kimberly.j.Edwards@alltel.com)

4th point of escalation – within 1 to 2 hours

Grace Rector – Director – National Accounts

(501) 905-5211

[grace.rector@alltel.com](mailto:grace.rector@alltel.com)

5th point of escalation – within 1 to 2 hours

Robin Morocco – VP – Business Support

(501) 905-4546

[robin.morocco@alltel.com](mailto:robin.morocco@alltel.com)



## Exhibit C Pricing

### Appendix C - Pricing Options

Option 1 - Flat Rate										
Monthly Access Rate	Packaged Minutes Included	Fixed Rate	Monthly Package Rate	Overage Rate	LD Domestic Rate	Roaming Rate	N&W Minutes Included	M2M Minutes Included	Features Included	Plan Includes
\$5.99	0	\$0.18		\$0.18	\$0.15	\$0.59	0	0		
<b>**See Appendix C for Equipment Pricing</b> <b>Coverage area is the State of Michigan.</b>										

### Appendix C - Pricing Options

#### ***Explanation of the new Multi-Access Pooling Plans***

Alltel Business Solution's now has something that no other carrier offers...the ability to optimize the State's accounts phone usage through a new and distinct set of rate plans.

Our new **Multi-Access Pooling Plans** (MAPP) allow you to pool your cell minutes across many different price points, and with the use of Alltel's **Anytime Rate Plan Changes**, gives you the ability to choose those plans that will best fit your account's needs.

No longer are you required to purchase the same rate plan for everyone in order for you to pool the minutes. Now, you have a choice, more control, and the ability to get the most for your budget dollars.

In addition to the new MAP plans, Alltel is the only carrier that offers **My Circle**. The freedom to call the people you talk to most for free at anytime. Just imagine being able to choose the top ten numbers that your account calls, and not have them count against your plan's pooled anytime minutes. With My Circle, you choose who you call for free – any ten numbers on any network, anywhere in America, anytime of the day.

You decide. You control who's in your business's Circle, and can change your Circle numbers any time.



Greater Freedom Multi-Access Pooling

The Greater Freedom wireless plan from Alltel is the best value for those who keep calls local. You'll receive great coverage in your large local area and when you need to call outside your network, extended coverage is at your fingertips.

**Highlights:**

Large local coverage area

Best value for local callers

\*\*\*Free nationwide long distance

\*\*\*Eligible to receive My Circle

Greater Freedom Plans	\$25.00	\$32.00	\$42.00	\$52.00	\$63.00	\$84.00	\$105.00	\$155.00	\$210.00
20% Access Discount	\$5.00	\$6.40	\$8.40	\$10.40	\$12.60	\$16.80	\$21.00	\$31.00	\$42.00
20% Access Discount	\$20.00	\$25.60	\$33.60	\$41.60	\$50.40	\$67.20	\$84.00	\$124.00	\$168.00
20% Access Discount	0	300	700	1,000	1,200	1,600	2,200	4,500	6,500
20% Access Discount	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
20% Access Discount	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
20% Access Discount	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
20% Access Discount	included	included	included	included	included	included	included	included	included
20% Access Discount	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59
20% Access Discount	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40
20% Access Discount	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail								

Calls originating and terminating within the local coverage area use plan minutes and are toll free. Airtime charges may still apply if rate plan minutes are unavailable.

\*Night minutes are Mon. - Thurs. 9 p.m. - 5:59 a.m. Weekend minutes are Fri. 9 p.m. - Mon 5:59 a.m. Minutes must be used each month and do not carry over.

\*\*Mobile-to-Mobile minutes apply to calls made to and from Alltel wireless customers that originate and terminate within the plans calling area. Call forwarding, 411 and Voice Mail calls excluded. \*\*\*Eligible only on rate plans \$42.00 and higher



- ALLTEL Greater Freedom Coverage Area
- Nationwide Roaming at 59¢ per minute  
40¢ per minute long distance while roaming
- No service area

### Appendix C - Pricing Options

#### National Freedom Multi-Access Pooling

National Freedom from Alltel offers extensive coverage at great rates. With this flexible plan, you're free to make calls to major U.S. cities and surrounding metropolitan areas in the Alltel national network — all without additional roaming or long-distance fees.

#### Highlights:

**Extensive coverage including major U.S. cities**

**Free long distance to major cities**

**Free roaming near major cities**

**National Freedom Map**

<http://www.alltel.com/business/wireless/plans/index.html>

#### \*\*\*Eligible to receive My Circle

National Freedom Plans	\$25.00	\$32.00	\$42.00	\$52.00	\$63.00	\$84.00	\$105.00	\$155.00
20% Access Discount	\$5.00	\$6.40	\$8.40	\$10.40	\$12.60	\$16.80	\$21.00	\$31.00
State of Michigan Price	\$20.00	\$25.60	\$33.60	\$41.60	\$50.40	\$67.20	\$84.00	\$124.00
Included Anytime Minutes	0	200	500	750	900	1,400	2,100	4,000
*Night and Weekend Minutes	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
**Mobile-to-Mobile Minutes	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Post Package Minute Rate	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
Toll Free Calling	included	included	included	included	included	included	included	included
Roam Air Rate	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59
Roam Toll Rate	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40
Included Features	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail							

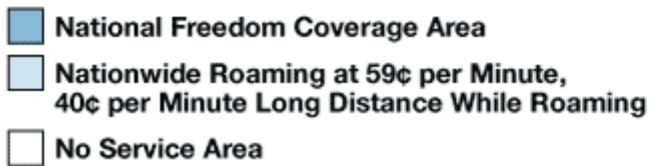
The Alltel National Freedom Network covers most U.S. cities. Coverage may not be available in all areas. National Freedom customers calling Puerto Rico coverage area may be subject to long-distance charges.

\*Night minutes are Mon. - Thurs. 9 p.m. - 5:59 a.m. Weekend minutes are Fri. 9 p.m. - Mon 5:59 a.m. Minutes must be used each month and do not carry over.

\*\*Mobile-to-Mobile minutes apply to calls made to and from Alltel wireless customers that originate and terminate within the National Freedom network coverage area. Call forwarding, 411 and Voice Mail calls excluded.

\*\*\*Eligible only on rate plans \$42.00 and higher





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**State of Michigan - Telecommunications RFP**

Appendix C - Pricing Options

**Greater Freedom - Smart Choice Packs**

**Highlights:**

**Pool with National Freedom Multi Access Pooling plan**

**Requires BlackBerry or Smartphone device**

**Free nationwide roaming**

**\*\*\*Eligible to receive My Circle**

**Unlimited Data usage**

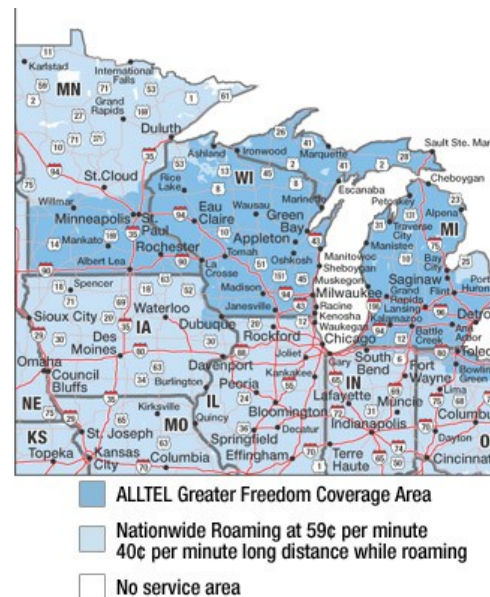
<b>Smart Choice Plan</b>	<b>\$50.00</b>	<b>\$70.00</b>	<b>\$90.00</b>	<b>\$110.00</b>	<b>\$140.00</b>	<b>\$190.00</b>
<b>15% Access Discount</b>	<b>\$7.50</b>	<b>\$10.50</b>	<b>\$13.50</b>	<b>\$16.50</b>	<b>\$21.00</b>	<b>\$28.50</b>
<b>State of Michigan Price</b>	<b>\$42.50</b>	<b>\$59.50</b>	<b>\$76.50</b>	<b>\$93.50</b>	<b>\$119.00</b>	<b>\$161.50</b>
<b>Greater Freedom</b> Version - Included						
Anytime Minutes	<b>0</b>	<b>700</b>	<b>700</b>	<b>1,500</b>	<b>2,500</b>	<b>600</b>
*Night and Weekend Minutes	0	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
**Mobile-to-Mobile Minutes	0	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Additional Minute Rate	\$0.40	\$0.40	\$0.40	\$0.35	\$0.25	\$0.25
Included Features:	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail					



\*Night minutes are Mon. - Thurs. 9 p.m. - 5:59 a.m. Weekend minutes are Fri. 9 p.m. - Mon 5:59 a.m. Night and Weekend minutes available in the National Freedom coverage area. Plans \$90.00 and higher Night and Weekend minutes begin at 7:00 p.m.

\*\*Mobile-to-Mobile minutes apply to calls made to and from Alltel wireless customers that originate and terminate within the Total Freedom coverage area. Call forwarding, 411 and Voice Mail calls excluded.

\*\*\*Eligible only on rate plans \$90.00 and higher





**State of Michigan - Telecommunications RFP**

Appendix C - Pricing Options

**National Freedom - Smart Choice Packs**

**Highlights:**

**Pool with National Freedom Multi Access Pooling plan**

**Requires BlackBerry or Smartphone device**

**Free nationwide roaming**

**\*\*\*Eligible to receive My Circle**

**Unlimited Data usage**

<b>Smart Choice Plan</b>	<b>\$50.00</b>	<b>\$70.00</b>	<b>\$90.00</b>	<b>\$110.00</b>	<b>\$140.00</b>	<b>\$190.00</b>
<b>15% Access Discount</b>	<b>\$7.50</b>	<b>\$10.50</b>	<b>\$13.50</b>	<b>\$16.50</b>	<b>\$21.00</b>	<b>\$28.50</b>
<b>State of Michigan Price</b>	<b>\$42.50</b>	<b>\$59.50</b>	<b>\$76.50</b>	<b>\$93.50</b>	<b>\$119.00</b>	<b>\$161.50</b>
<b>National Freedom</b> Version - Included						
Anytime Minutes	<b>0</b>	<b>500</b>	<b>500</b>	<b>1,200</b>	<b>2,000</b>	<b>5,500</b>
*Night and Weekend Minutes	0	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
**Mobile-to-Mobile Minutes	0	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Additional Minute Rate	\$0.40	\$0.40	\$0.40	\$0.35	\$0.25	\$0.25
Included Features:	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail					





\*Night minutes are Mon. - Thurs. 9 p.m. - 5:59 a.m. Weekend minutes are Fri. 9 p.m. - Mon 5:59 a.m. Night and Weekend minutes available in the National Freedom coverage area. Plans \$90.00 and higher Night and Weekend minutes begin at 7:00 p.m.

\*\*Mobile-to-Mobile minutes apply to calls made to and from Alltel wireless customers that originate and terminate within the Total Freedom coverage area. Call forwarding, 411 and Voice Mail calls excluded.

\*\*\*Eligible only on rate plans \$90.00 and higher



- National Freedom Coverage Area
- Nationwide Roaming at 59¢ per Minute, 40¢ per Minute Long Distance While Roaming
- No Service Area



**State of Michigan - Telecommunications RFP**

Appendix C - Pricing Options

**National Freedom - Smart Choice Packs**

**Highlights:**

**Pool with National Freedom Multi Access Pooling plan**

**Requires BlackBerry or Smartphone device**

**Free nationwide roaming**

**\*\*\*Eligible to receive My Circle**

**Unlimited Data usage**

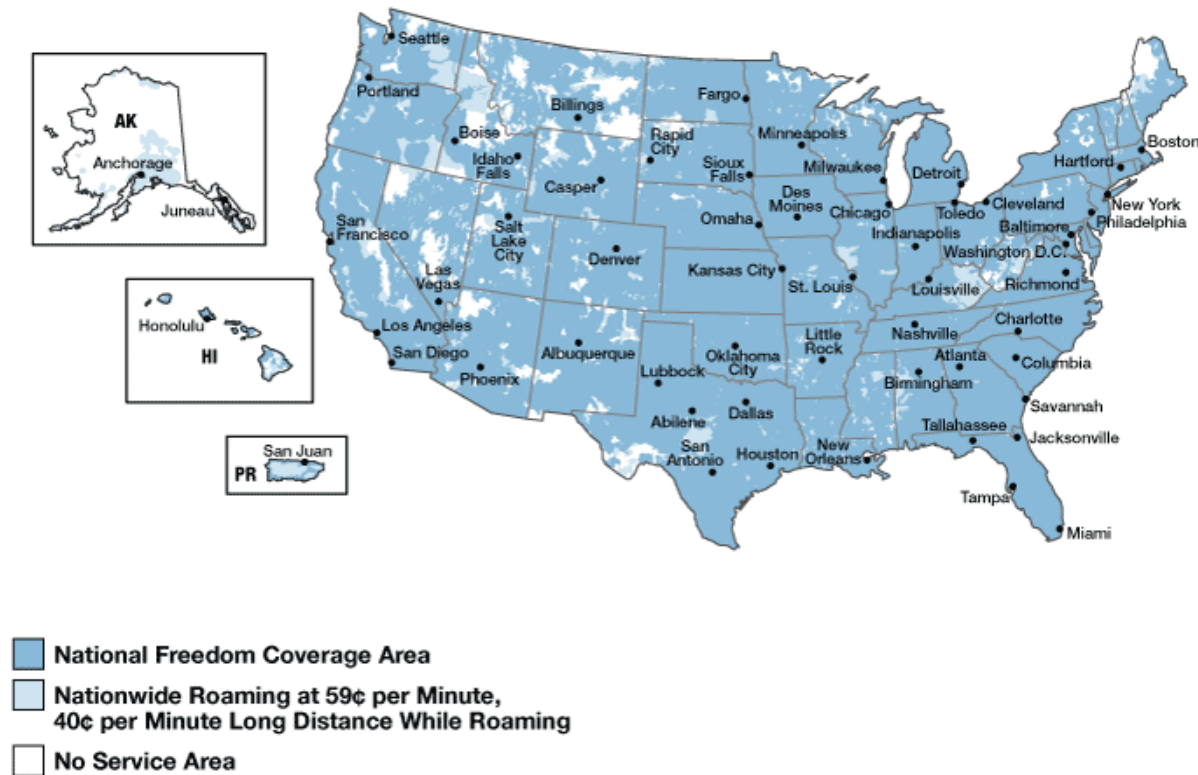
<b>Smart Choice Plan</b>	<b>\$50.00</b>	<b>\$70.00</b>	<b>\$90.00</b>	<b>\$110.00</b>	<b>\$140.00</b>	<b>\$190.00</b>
<b>15% Access Discount</b>	<b>\$7.50</b>	<b>\$10.50</b>	<b>\$13.50</b>	<b>\$16.50</b>	<b>\$21.00</b>	<b>\$28.50</b>
<b>State of Michigan Price</b>	<b>\$42.50</b>	<b>\$59.50</b>	<b>\$76.50</b>	<b>\$93.50</b>	<b>\$119.00</b>	<b>\$161.50</b>
<b>National Freedom</b> Version - Included						
Anytime Minutes	<b>0</b>	<b>500</b>	<b>500</b>	<b>1,200</b>	<b>2,000</b>	<b>5,500</b>
*Night and Weekend Minutes	0	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
**Mobile-to-Mobile Minutes	0	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Additional Minute Rate	\$0.40	\$0.40	\$0.40	\$0.35	\$0.25	\$0.25
Included Features:	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail					



\*Night minutes are Mon. - Thurs. 9 p.m. - 5:59 a.m. Weekend minutes are Fri. 9 p.m. - Mon 5:59 a.m. Night and Weekend minutes available in the National Freedom coverage area. Plans \$90.00 and higher Night and Weekend minutes begin at 7:00 p.m.

\*\*Mobile-to-Mobile minutes apply to calls made to and from Alltel wireless customers that originate and terminate within the Total Freedom coverage area. Call forwarding, 411 and Voice Mail calls excluded.

\*\*\*Eligible only on rate plans \$90.00 and higher





**State of Michigan - Telecommunications RFP**

Appendix B - Pricing Options

Option 3 - Other Pricing										
Monthly Access Rate	Packaged Minutes Included	Fixed Rate	Monthly Package Rate	Overage Rate	LD Domestic Rate	Roaming Rate	N&W Minutes Included	M2M Minutes Included	Features Included	Plan Includes
\$ 15.00	100			\$ 0.15	\$ 0.15	\$ 0.59	0	0		Statewide Toll-free to State calls
\$ 25.00	250			\$ 0.12	\$ 0.15	\$ 0.59	0	0		Statewide Toll-free to State calls
\$ 40.00	1000			\$ 0.10	\$ 0.15	\$ 0.59	0	0		Statewide Toll-free to State calls
<b><i>These are custom State of Michigan Pooling Plans.</i></b>										
<b>**See Appendix C for Equipment Pricing</b> <b>Statewide Toll-free to State calls</b> <b>Coverage area is the State of Michigan.</b>										



### Optional Charge Features

Contractor offers the following optional add-on features to the State of Michigan.

Pay-Per Use Axxess Messaging Pack - \$0.15 cents per message with no recurring monthly charge. Pay per use picture messages are \$0.25 for both incoming and outgoing messages.

Axxess Messaging Pack 300 - \$5.99 per month - Allows customers to send or receive 300 text, picture, or video messages.

Axxess Messaging Pack 750 - \$9.99 per month - Allows customers to send or receive 750 text, picture, or video messages.

Axxess Messaging Pack 1000 - \$12.99 per month - Allows customers to send or receive 1000 text, picture, or video messages.

Axxess Messaging Pack 1500 - \$14.99 per month - Allows customers to send or receive 1500 text, picture, or video messages.

All Axxess Pass - \$19.99 per month - All Axxess Pass is a data feature that combines Axxess Web, and unlimited Text, Picture, and Video Messaging.

All Axxess Msg and Touch2Talk - \$19.99 per month - Axxess T2T Messaging Pack is a data feature that combines unlimited Text, unlimited IM, unlimited Picture and Video Messaging as well as unlimited Touch2Talk. Touch2Talk (T2T) service provides customers with the ability to have a "walkie-talkie" call, either 1 to 1 or with a group of up to 20 T2T users. Contractor Touch2Talk provides the Nation's largest Walkie-Talkie coverage.

International Dialing - International Dialing allows Contractor wireless customers to dial from the US to numbers outside of the United States. This service is available upon request to customers. There is no recurring monthly charge for this feature.

Enhanced Voice Mail - \$2.00 per month - Alltel's Enhanced Voicemail service is designed for the business user that requires more options than the basic voicemail. With this voicemail, Customers can create a distribution list of up to 10 people, reply to and forward voicemails that they have received. It also increases the message capacity, the greeting length, message length, and retention period.

FreeToRoam 100 - \$10.00 per month - this feature gives customers 100 anytime minutes they can use anywhere within the United States. It does not cover calls made outside the 50 states (example: Canada, Mexico, etc). This feature made be purchased for just one line or for multiple lines to share the 100 minutes.

Mr. Rescue Roadside Assistance - \$3.00 per month - Provides limited roadside assistance including: delivery of up to 3 gallons of gas free, towing up to \$50.00, winching, tire repair (will change flat tire as long as you have a spare), jump start, and provide locksmith service. Customers must be enrolled for 72 hours before it is effective. Customers receive 6 service calls per year with \$50.00 limit per incident.

ProductGuard Insurance - \$4.00 per month (standard handsets only) - Covers if the phone is lost, stolen, or broken. A \$50.00 deductible does apply. Up to 2 claims can be made per calendar year.

ProductGuard Plus Insurance - \$5.00 per month (standard handsets only) - Covers the phone if lost, stolen, broken, as well as any malfunction or defect beyond manufacturers warranty. A \$50.00 deductible does apply. Up to 2 claims can be made per calendar year.



PlatinumGuard Insurance - \$6.00 per month (premium handsets only) - Covers if the phone is lost, stolen, or broken. A \$95.00 deductible does apply. Up to 2 claims can be made per calendar year.

PlatinumGuard Plus Insurance - \$7.00 per month (premium handsets only) - Covers the phone if lost, stolen, broken, as well as any malfunction or defect beyond manufacturers warranty. A \$95.00 deductible does apply. Up to 2 claims can be made per calendar year.

Enhanced Warranty - \$2.00 per month – (standard or premium handsets) - Provides protection against electrical or mechanical malfunction or defect beyond manufacturers warranty. A \$50.00 deductible applies.

Touch2Talk – This feature allows customers the ability to have a “walkie talkie” call. This call can be a one on one or up to 20 T2T users. For \$5.00 customers can receive 100 private (one on one) and 50 group minutes. For \$10.00 customers can receive unlimited private and group T2T minutes. This feature can be added to a Greater or National Freedom Rate plan.

Axxess Web - \$5.99 per month - Allows the handset to connect to the Internet. Active browse time does bill as an airtime charges. Some benefits of Axxess Web customers get up to the minute weather, movie listing by zip code, can utilize online yellow pages, etc.

Axxess Minutes - \$10.00 per month - This feature allows customer to purchase unlimited data access. This feature will allow Customers to use Axxess Web without ever worrying about going over their package minutes. No active browse time will be charged with this feature.

Office Sync – Personal Edition - \$39.99 per month - Allows users to view email, calendar, and contacts with Palm powered, Windows Mobile Pocket PC, or Windows Smart-phone device while on the go.

Office Sync Personal Edition: Office Sync Personal Edition is available for the following individual users:

- Corporate users who do not have an Office Sync server setup within their corporation and who currently use Microsoft® Exchange or Lotus Domino® email clients
- Home users who have an IMAP or POP e-mail
- Corporations who do not have the staff or budget to support an Office Sync server implementation

Office Sync – Enterprise Edition - \$39.99 per month - Allows users to view email, calendar, and contacts with Palm powered, Windows Mobile Pocket PC, or Windows Smart-phone device while on the go. Office Sync Enterprise Server Edition is available for our corporate customers who have an Office Sync server setup within their corporation. This solution is great for medium to large enterprises with the ability to setup and maintain an Office Sync server configuration on site.

Pay-Per Use Axxess Messaging Pack - \$0.15 cents per message with no recurring monthly charge. Pay per use picture messages are \$0.25 for both incoming and outgoing messages.

Axxess Messaging Pack 300 - \$5.99 per month - Allows customers to send or receive 300 text, picture, or video messages.

Axxess Messaging Pack 750 - \$9.99 per month - Allows customers to send or receive 750 text, picture, or video messages.

Axxess Messaging Pack 1000 - \$12.99 per month - Allows customers to send or receive 1000 text, picture, or video messages.

Axxess Messaging Pack 1500 - \$14.99 per month - Allows customers to send or receive 1500 text, picture, or video messages.





All Axxess Pass - \$19.99 per month - All Axxess Pass is a data feature that combines Axxess Web, and unlimited Text, Picture, and Video Messaging.

- v. Contractor offers the following multi-media messaging services.

Axxess Messaging Pack 300 - \$5.99 per month - Allows customers to send or receive 300 text, picture, or video messages.

Axxess Messaging Pack 750 - \$9.99 per month - Allows customers to send or receive 750 text, picture, or video messages.

Axxess Messaging Pack 1000 - \$12.99 per month - Allows customers to send or receive 1000 text, picture, or video messages.

Axxess Messaging Pack 1500 - \$14.99 per month - Allows customers to send or receive 1500 text, picture, or video messages.

All Axxess Pass - \$19.99 per month - All Axxess Pass is a data feature that combines Axxess Web, and unlimited Text, Picture, and Video Messaging.



### Exhibit D Approved Hardware

Please go to the following link to see the most current hardware available (subject to SOM and agency telecom coordinators' requirements). How to find the latest updated phones

[www.alltel.com](http://www.alltel.com)

Phones and Devices

Enter your zip code

You will see all the phones we carry

**Alltel's standard base handsets shall include:**

a. A wall charger and hands-free operation kit.

Alltel will offer the State a discount on the purchase of accessories. Alltel will offer a free basic headset upon request. Alltel will offer a Bluetooth option for \$20 per headset. Some manufactures include Belt Clips inside of the packaging; please refer to the handset matrix or sales rep for specific details.

b. Contractor handsets offered under the State contract are equipped with a standard earphone jack.